Brewing Development: Multinational Alcohol Companies, the Neo-Concessionary State, and the Politics of Industrialization in Ethiopia

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Dissertation submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy in the Department of Cultural Anthropology in the Graduate School of Duke University

2019
ABSTRACT

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Abstract

This dissertation examines the politics of industry and industrialization in Ethiopia. I analyze how multinational alcohol companies and the Ethiopian state are brewing development, meaning spurring the creation of industrial linkages through the production, distribution, sale, and consumption of commercial beer as well as their corresponding socio-cultural consequences as the Ethiopian people respond to such processes. An ethnography at the nidus of corporate supply and value chain management and the state’s industrialization policy, the following pages examine how state and companies are making industry to meet the developmentalist goals of an Ethiopian ruling party and the needs of capital, respectively, albeit not without local collaboration and resistance.
Dedication

For my grandfather, Tekie Tedla Hailu
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1. Introduction: Understanding the Privatization of National Breweries in Ethiopia—Theory, Context, and Aftermath

After decades of economic stagnation, Ethiopia has recently emerged as a site of economic growth. In 2014, a Time Magazine article entitled, “Forget the BRICs; Meet the PINEs,” declared Ethiopia (along with Nigeria, Indonesia, and the Philippines) among the latest emerging markets in the world—a new frontier for capital and international companies.1 Nowhere is this economic fever more visible than in the sudden influx of multinational alcohol companies in the country today. Engaging in what can only be described as a battle among international breweries, these companies are fighting for control over the drinking market of the second largest populace in Africa—specifically the sale of commercial beers—and transforming local supply chains to churn out more profits and knock out their competition.

In this vein, my dissertation is an ethnographic study of beer (its diverse and local meanings) and the beer industry (a story of corporate capitalism manifest) in Ethiopia. To do this, I follow beer, the thing in itself,—its production, distribution, exchange, and consumption,—examining the cultural, social, political, and economic impact of multinational alcohol companies, which arrived in Ethiopia during the 2010s.2 I argue that multinational alcohol companies (through strategies of covert embedding and

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2 The exception to this is Castel (BGI), which arrived in 1998.
stealthy assimilation) and the Ethiopian state (through a neo-concessionary politics) are engaged in a joint project of brewing development—a dynamic process of making economic development through beer as the production, distribution, and circulation of commercial lagers brew forward and backward linkages (and their accompanying socio-cultural consequences) across industry-related sectors. What follows is an ethnographic analysis of this generative process with its nidus at the intersection of company supply and value chain management strategies, the state’s implementation of a national industrialization policy, and local collaboration and resistance against the concerted efforts of both.

In Ethiopia, beer is development—multiple in its material and economic, symbolic, affective, imaginative, and contested meanings as Ethiopians—consumers and those whose livelihoods are directly impacted by industry’s entrance—come to make sense of the sudden flood of commercial brews into the marketplace. Such diverse meanings manifest across a beer industry operating through a strategy of covert embedding and stealthy assimilation as multinational alcohol companies enter markets under the guise of local nomenclatures, extending their reach into the most remote parts of the country not only to sell beer, — and ultimately supplant indigenous alcohols—but to manage their domestic supply and value chains to meet the needs of capital. Distinct from narratives of extractive and export industries across the continent, the covert embedding and stealthy assimilation strategies of multinational alcohol companies
target Africa and Africans not only as a source of raw materials and labor, but as current (and potential) consumers for beer, spirits, and other beverages. However, this unique manifestation of corporate capitalism on the continent should not be understood as yet another retelling of privatization and its effects as unlike the majority of the continent, no one multinational alcohol company has monopolized the Ethiopian alcohol (or beverage) market. This lack of monopoly is not related to the inherent profitability of Ethiopia’s national beer market, but instead should be read through and situated within the *neo-concessionary politics* of an Ethiopian state that strategically opens up to, controls, and extracts revenue from companies— a politics rooted in its non-colonial history— as it readily responds to global capitalism to protect and increase its own territorial power.

These disparate strategies of multinational alcohol companies and the Ethiopian state play out through a politics of industry and industrialization— or more specifically what I call *brewing development*. Brewing development is neither a concept nor theory, but an unfolding process of industrialization as encounters between multinational alcohol companies, the Ethiopian state, and local market actors spur the creation of forward and backward linkages, or economic investment, in sector-related activities such as food and beverage service, entertainment, advertising, distribution, draft cleaning services, manufacturing, and barley farming. It also refers to the socio-cultural, political, affective, symbolic, ethnic, and political dynamics underlying, driving, and resisting the creation of such linkages. Specific to my fieldwork research in Ethiopia,
brewing development encapsulates the ways in which multinational alcohol companies—determined to not only to make a profit, but knock out their competition through supply and value chain management strategies—and the state—which aims to meet its industrialization agenda through policymaking and bureaucratic oversight—are fostering development, in its multiplicity, to their own ends—sometimes to the delight of the Ethiopian people and at other times to their dismay.

1.1 Beer as Development?

“I once read an article that says you can tell how developed a country is by its beer consumption.”
“Really, where did you see that?”
“I don’t know, some article I read, but let me ask you a question, do Ethiopians really consume that much beer?”
“Well not really as much as other African countries like South Africa…”
“Well then, are we really that developed? (referring to all the discussion about a rising Ethiopia)”

In Ethiopia, beer is development:

Beer is a material and economic development for those involved in the production, distribution, and sale of the beer commodity. What was historically an informal economy of women brewing indigenous beers and alcohols in the household, is now being challenged by aggressive large-scale commercial brewing. This industry generates revenue for those working along its supply chain through direct (factory) and indirect (distribution, retail-outlets, and advertising) employment as well as fostering increased productivity along the malt barley supply chain to the benefit of local smallholder farmers. The commercialization of beer also provides opportunities for increased
revenue for the state through excise and value added tax (VAT). To those livelihoods under the umbrella of multinational alcohol companies, beer equals money, profit, and wealth.

Beer also signals a symbolic development as the beverage comes to signify modernity. As opposed to the indigenous alcohols which are associated with Ethiopia’s traditional past, meaning underdevelopment, the commercial lager brings the promise of being modern, or even global through consumption practices. However, this modernity is not without its tensions. Charged by local religious, social, political, and ethnic affinities and revulsions, it is a modernity marked by the divisions existing within the context of people’s lived experience in a country as wrought by political unrest, ethnic tensions, and rampant unemployment as it is filled with soaring optimism for its future.

Beer is thrice a medium through which development is affectively and imaginatively expressed. The crisp clear golden lager with its smooth finish, free from grainy lumps, consistent in its quality, is aspirational. With each sip, beer comes to embody progress—imaginations of an orderly stable future through commercial brewing. It evokes the 21st century calls by the Ethiopian state for an “Ethiopian Renaissance” and the promise to become a middle-income country by 2025. This is opposed to the subsistence economy of indigenous alcohols with their unpredictable
standards, alcohol content, and taste, unfiltered residue floating within an open plastic
cannister—a thing of the past.

Finally, beer marks a development that is contested as in the case of the speaker
who casts doubts on narratives of Ethiopia rising. A developmental pessimism that
questions the material and economic gain from the beer industry as just the imperialism
of multinational alcohol companies trying to monopolize markets— suspiciously
watching as domestic breweries are bought out by multinational companies selling beer
under the guise of local brands. Critics of the industry lament the dwindling
consumption of indigenous alcohols and are alarmed by the negative cultural effects
that might arise from mass beer advertising campaigns. They view the rhetoric around
beer drinking and development as propaganda— similar to the pronouncements of
Ethiopia rising— not entirely true in its full telling of reality on the ground.

1.2 Beer Industry: A Story of Corporate Capitalism Manifest

While beer comes to tell a story about development, fluid, multiple, and at times
contradictory in meaning\(^3\), the beer industry otherwise tells a story of corporate
capitalism that operates through a strategy of *covert embedding and stealthy assimilation* as
multinational alcohol companies take society— the African consumer— as their object of
cathexis. When multinational alcohol companies arrive in Africa, they are in the business

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of shaping the world around them to fit the needs of capital.⁴ Over the past several decades, multinational alcohol companies have spread their control over African markets through the business strategy of covert embedding—consolidating national breweries and their once independent brands (retaining the names of both) as well as releasing new beers under the guise of local appellations. This way, a once local brewery continues to appear local despite its acquisition by a multinational alcohol company. It is then through the process of stealthy assimilation that companies quickly expand deep into the national territory in a determined effort to replace indigenous alcohols with “local” commercial lagers.⁵ This strategy of stealthy assimilation also applies as multinational alcohol companies actively fashion the world around them to increase company competitiveness and productivity as well as reduce costs to garner greater profits—a process of supply and value chain management.

In Ethiopia, the strategy of covert embedding and stealthy assimilation manifests in multiple ways. Multinational alcohol companies have destroyed old Soviet distribution networks and replaced them with energized entrepreneurial youth banking their future on delivering beer across the territory’s lowlands and highlands. They send out draft cleaners, responsible for maintaining the standards of draft machines in

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⁴ Multinational alcohol companies prefer to operate locally by buying up national breweries across the globe and consolidating brands (rather than import alcohol) because it is more economical. For more on the strategies and evolution of multinational alcohol companies see Teresa da Silva Lopes, Global Brands: The Evolution of Multinationals in Alcoholic Beverages (Cambridge; New York: Cambridge University Press, 2007).

⁵ According to the 2018 “Global Status Report on Alcohol and Health” from the World Health Organization beer accounts for 55% of alcohol consumption per capita in Ethiopia.
restaurants, bars, groceries, and hotels across Ethiopia, to pave the affective infrastructure needed for beer companies to penetrate into local markets. They invest in retail-outlets as to foster good relations of reciprocity through gift exchange, as companies attempt to curry local favor. They also engage in massive advertising campaigns on television, radio, print, and social media promoting their “local” brands. In breweries, multinational alcohol companies facilitate the arrival, installation, and management of smart technological systems, restructuring the labor force to keep up with industry competitors and to meet the needs of a new global factory regime. Finally, determined to cut production costs by sourcing grain locally, they collaborate with smallholder farmers, NGOs, and the state (local, regional, and federal) to grow the local malt barley supply to meet the needs of the nation’s breweries.

The corporate strategy of covert embedding and stealthy assimilation also plays out through branding and corporate social responsibility (CSR) initiatives to gain local trust. In Africa, breweries make a concerted effort to appear more “African.” Companies still sell premium brands such as Guinness, Castel, and Heineken, but their focus is on acquiring or developing brands that are locally and/or regionally viable and recognizable such as Ngok (crocodile emblem) in the Republic of the Congo, Nile in Uganda, and Impala in Tanzania. To reduce costs, these beers are partly sourced from smallholder farmers in the region— Ngok (maize), Eagle (sorghum), and Impala
(cassava)— so the local populations can afford the brews. CSR also plays an important role in building trust between the multinational beer companies and African consumers. For example, Star Breweries in Madagascar invests about 1,000,000,000 Malagasy ariary (approximately $286,121) a year on environmental, social, health and education programing while Nile Breweries boasts its HIV/AIDS education and programing, water projects, and education scholarships. Overall, determined to appear local and foster goodwill, these companies covertly embed themselves in society for the purposes of selling more beer.

Similarly, multinational alcohol companies also engage in a process of covert embedding and stealthy assimilation in Ethiopia to appear local as well as foster goodwill and trust between themselves and society. However, the presence of several multinational alcohol companies enhances this process as they aggressively compete to overtake each other in the marketplace. These companies have a wide variety of brands that take on locally significant figures, names, and phrases such as St. George (favorite religious figure of the Orthodox Church), Walia (ibex indigenous to Ethiopia), Habesha (Ethiopian people), Raya (ambition), and Zebidar (Friendship). These brands appeal to a population that make associations between beer and local ideas and aspirations, further facilitated through mass advertising campaigns and event sponsorship to promote these

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drinks. As for CSR, each company also has its own style. BGI (Castel) for example has an “open door policy.” Run by an almost entirely Ethiopian staff, the company is the multinational alcohol company most responsive and receptive to the community as people freely move in and out of its corporate office in Addis Ababa. It is not uncommon to see a bar owner come in and demand to speak to a sales and/or marketing manager, adamantly requesting monetary or material support from the company. The company’s CSR programming is also open ended, as people write letters asking for everything from medical treatment (from surgeries to supplying HIV drugs) to education support (buying students uniforms and school supplies). Dashen beer is similar in its openness to the community, but due to it being partly owned by the TIRET endowment company in the Amhara ethnic state, this openness is regionally specific through its support of barley farmers (fertilizer and training), water projects (building wells), and initiatives to feed the homeless. Heineken and Diageo, on the other hand, are global corporations beholden to their international shareholders. In the case of Heineken, its CSR programs are communicated through guidelines set by the Heineken Foundation (e.g. health, education) with its most publicized CSR being the massive CREATE Project which assists in the development of the malt barley supply chain in the Oromia regional state in order to reduce grain import costs. Each company, through its own strategy, further

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* Castel is a multinational company solely owned by the Castel family, which allows it to operate more flexibly than multinational corporations beholden to shareholders.
embeds and assimilates itself into society as they compete with each other to win over the affection of the Ethiopian people.

### 1.3 Multinational Alcohol Companies: A Scramble for Africa?

Although there is little literature on multinational alcohol companies on the continent, scholars have readily explored the role of alcohol in African political economy. Much literature has fruitfully investigated indigenous production of alcohol, especially by women, as well as the social, cultural, religious, and ritualistic dynamics underlying drinking under colonialism and in post-colonial states.\(^8\) Scholars have also extensively explored the role of alcohol in the Atlantic slave trade\(^9\) and as a source of colonial revenue through taxation policies.\(^10\) Some literature also has explored commercial alcohol as a source of both distinction and modernity\(^11\) as well as technology

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transfer. Only recently, have scholars begun to explore the activities of multinational alcohol companies on the continent by focusing on corporate social responsibility (CSR), taxation, and market exploitation. However, unlike the literature on economy, food, and drink with its extensive investigation of commodities and global supply chains as well as its critique of multinational companies such as Coca-Cola, the anthropology of alcohol has not readily explored the social, cultural, political, and economic impact of large-scale commercial alcohol industries in sub-Saharan Africa.

With a few exceptions, multinational alcohol companies exercise dominance over African beer markets in co-coordination with each other. In his “Africa’s Intoxicating Beer Markets” (2015), Brian J. Hesse states that 81% of all commercial beers sold in Africa is brewed by three multinational companies: Castel (BGI), SABMiller, and Heineken, which he calls the “Big Three,” with Diageo following as the fourth largest

19 Anheuser-In Bev (AB InBev) acquired SABMiller in 2016.
company. Although some of these companies are more well-known for other alcohol beverages — Castel (wine) and Diageo (spirits) —, the focus on beer is to provide an affordable alternative to indigenous alcohols by creating brands using locally sourced grain such as sorghum, with the eventual hope that populations “graduate” to drinking standard commercial lagers — a gateway alcohol, so to speak. Hesse argues that these beer companies are engaged in a “modern scramble for Africa” as over the past several decades, they have divided the continent among themselves. Through my own research, I have found the division to be as follows: west francophone speaking countries (Castel), Central and North Africa (Heineken), East Africa (Diageo and AB InBev), Southern Africa (AB InBev and Heineken) and English-speaking West African countries (Diageo & Heineken). However, the control of these companies goes beyond beer. In many countries such as the Republic of the Congo, Gabon, and Benin, multinational alcohol companies not only control the market for beer, but often soft drinks, energy drinks, water, mineral water, wines, and spirits — running the entire beverage market. To achieve this level of monopoly, these companies work in strategic partnership with each other as they divvy up the continent amongst themselves. Hesse gives the example of SABMiller and its strategic partnership with Castel, each agreeing not to challenge

21 Les Brasseries et Glaceries d’Indochine (BGI) is subsidiary of Castel.
each other’s markets, giving first priority to the other’s possessions if one decides to sell.

Hesse states:

If such continent-sweeping deals have a neocolonial air—think of the 1884 Berlin Conference where foreign ministers established ground rules for how European powers could exploit their own corners of the “dark continent”—then consider the biggest brewers’ roots and corporate centers. Castel is French. Heineken is Dutch. Diageo is British. Even SABMiller with its South African roots, is today headquartered in the United Kingdom. 22

These multinational alcohol companies use a variety of cartel-like methods to minimize competition and exert control over markets such as profit sharing, licensing agreements, and asset swaps. Strategic partnerships (majority/minority shareholders) between companies are not uncommon. For example, the Brasseries du Cameroun Corporation is listed as 73.66% Castel (BGI), 10% National Investment Company of Cameroon (SNI), 8.75% Heineken, and 7.59% other shareholders. 23 Partnerships through licensing agreements are also prevalent such as the 40-year Amstel trademark agreement between SABMiller and Heineken in South Africa, which the latter broke to the former’s fury to create a new brewing company, Brandhouse. 24 Meanwhile, companies often trade assets, as seen with Castel and SABMiller, and most recently, in 2015, when Heineken handed full control over its Ghanaian breweries to Diageo, while Diageo, in return, relinquished its control over the Jamaican Red Stripe beer as well as some South Asian

holdings.\textsuperscript{25} However, the dominance of these companies does not mean there are no other competitors on the continent. For example, there is the Bavarian Skol beer, manufactured by Unibra\textsuperscript{26}, popular in Rwanda and a few African countries, as well as craft breweries in Tanzania (Crafty Dee’s Brewing Company), Rwanda (The Craft Brewery Project) and South Africa (numerous) but for the most part these companies, as a whole, possess a minimal share of the market. Finally, it is important to note that the “Big Three” and Diageo have not entered all African markets. For example, in some small islands such as Mauritius (Phoenix Beverage Company) and Cape Verde (CERIS) beer is sold through a single local beverage corporation, while Zimbabwe (Delta Corporation) and Eritrea (Asmera Brewery) are resistant to liberalization. Additionally, Somalia and Djibouti have no national breweries, while Anheuser-Busch InBev closed its brewery in South Sudan in 2016. Despite exceptions such as these, companies generally extend their monopolies across the continent.

This scramble for African beer markets is part of a larger trend of global expansion and consolidation among multinational alcohol companies across the globe. David Harvey argues that multinational corporations rely on some form of spatial and/or temporal displacement (spatio-temporal fixes) to address the issue of capital


\textsuperscript{26} Manufactured by AB InBev in Latin America.
surplus (overaccumulation).27 Over the last forty years, craft brewers in the West have challenged the dominance of multinational brewing companies and their mass-produced commercial beers.28 Just as yuppies in the 1980s and 1990s developed a taste for specialty coffee29, millennials are now selecting to drink craft beers over traditional commercial lagers such as Budweiser, Miller, Heineken, Guinness, and Corona— taking a sizable a bite out of big beer’s profits.30 Multinational alcohol companies have responded to this shift by an aggressive strategy of market consolidation and expansion to make up for lost sales. Most publicized, in 2016, Anheuser-Bush InBev acquired SABMiller for $100 billion — the new company now controlling 30% of the world’s beer market31 — a move that not only makes it the largest multinational alcohol corporation in the world, but also gives an advantageous foothold in Africa.32 Further, the company continues to consolidated its holdings by rapidly buying out and incorporating craft

beers into its portfolio with the final aim of cannibalizing the market. Most relevant to my research, companies like AB InBev, have also responded to declining sales by rapidly expanding their operations in African, Asian, and South American markets, selling cheap mass-produced commercial beers to small but growing middle class populations across the global south. Although still lagging behind in liters per capita, Africa is the most dynamic and fastest growing of these markets—a new frontier for corporate profits.

Figure 1: Poster with images of multiple Ethiopian beer brands along with foreign spirits and traditional indigenous wine (*tellə*)

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The Ethiopian case exists in this milieu of global corporatist brewery expansion in Africa. However, the arrival of global breweries in Ethiopia does not only tell a story of monopoly capitalism but of fierce competition as companies continue to battle for dominance over the nation’s beer market. During the 1990s, there were five local breweries operating throughout Ethiopia. These were St. George Brewery, Bedele Brewery, Harar Brewery, Meta Brewery, and Dashen Brewery. St. George, Bedele, Harar, and Meta were all state-owned, while Dashen belonged to TIRET, an endowment organization registered in Amhara National Regional State. In 1998, St. George Brewery was bought by Castel (BGI), which would open up breweries such as Kombolcha and Awasa, while the state retained its other brewery assets. It would not be until 2010s that the Ethiopian government finally agreed to privatize the companies despite putting them up for bid several times over the past years. In 2011, Heineken would purchase Bedele and Harar breweries and by 2014, it finished construction on its Klinto Brewery. Diageo would follow suit in 2012, with the purchase of Meta Abo Brewery. Soon after, Dashen partnered up with the Duet group, an international investment firm, and several share companies such as Raya, Habehsa, and Zebidar entered the market as well.

39 During the privatization auction, the Ethiopian government and bidding multinational alcohol companies failed to come to an agreement. See Chapter 7 for a more detailed discussion of privatization in Ethiopia.
40 Raya and Zebidar were recently acquired by BGI.
Today, three of the four largest multinational companies operating in Africa are not only present in Ethiopia, but holding a competitive market share. According to the Ethiopian Reporter, the market is divided into Castel (BGI) (38%), Heineken (30%), Diageo (15%), Dashen (13%), Habesha, Raya, Zebidar (jointly 6%). Each is competing in an all-out beer war for dominance in the marketplace.

1.4 African Industry: Extraction, Export, and Alcohol Production

Compared to the numerous literature on extractive industries (e.g. diamonds, oil, gas, rubber, and iron) and export industries (e.g. coffee, cotton, flowers, and leather), the story of multinational alcohol companies may appear to be a quieter, less scintillating tale of capitalism on the continent, but it is equally prominent and present. The history of capitalism in Africa is most often told as a story of exploitation through colonial and imperial resource extraction and export economies. Under colonialism, relations between European empires and their African territories were defined by a core-periphery structure— a process of accumulation by dispossession— as the former imported raw materials from the latter in order to fuel its industrial development. In post-independence nation-states, this extractive dynamic continued under the guise of “comparative advantage” further contributing to uneven development as Europe

drained resources from its former Africa possessions.\textsuperscript{42} During the mid-20th century, the “core” advantage came not only from this control of African natural resources, but dominance through technology, infrastructure, military, finance, media, and language.\textsuperscript{43} By the 1980s and 1990s, increasingly flexible capital in the form of extractive multinational corporations took root as African states further lost economic control but maintain political dominion over the territories. Today, James Ferguson argues that Africa is defined by extractive corporations that operate along a heterogeneous territorialization logic rather than the homogenizing territorialization logic of the state.\textsuperscript{44} Pointing to nations such as Angola, the Democratic Republic of the Congo, and Zambia, Ferguson states that extractive industries are able to bypass the nation-state and carve out spaces in which they are fully autonomous — hiring security teams to protect the “useable” parts of Africa while leaving the “unusable” parts to govern themselves. This logic allows the process of extraction to exist side-by-side with civil unrest and violence. Similarly, many export economies located in East Africa and the Horn of Africa are built upon seizure of indigenous lands for commercial farming or to bolster industries such as Kenya and Ethiopia’s international cut rose trade with blooms ending up in stores across Europe and North America. For extractive and export-oriented industries, the bottom

\textsuperscript{43} Samir Amin, \textit{Global History: A View from the South} (Cape Town; Dakar; Nairobi; Oxford: Pambazuka Press, 2011).
line is to procure as many resources as possible from a country, while giving as little as possible in terms of wages for local labor, as well as revenue through taxation for the state.

Multinational alcohol companies are a foil to extractive and export industries through their covert embedding and stealthy assimilation strategies. Unlike extractive industries, these multinational alcohol companies are determined to make the most “unusable” parts of Africa “useable” through their determination to not only monopolize but transform the drinking (i.e. consumption) practices within the territories they operate, willing to work in even the most violent of situations, at times unethically.45 Beginning with the foundation of South African Breweries in 1895, the 20th century saw the construction of breweries across the continent. Bottled beer was initially the drink of the upper class and a source of tax revenue for colonial powers, but through the decades is now consumed more widely by Africans, although indigenous alcohols are still prevalently consumed.46 The 1990s and 2000s saw the consolidation of national breweries under global brands, dominating not only beer and alcohol production, but African beverage markets as a whole. 2010s saw the ramping up of these companies’ efforts to make up for lost profit in North American and European markets by expanding into markets in Latin America and Asia, but especially Africa. Today,

46 “Global Status Report on Alcohol and Health” (Geneva: World Health Organization, 2018), 349.
multinational alcohol companies are focused on transforming consumption practices not only through beer and alcohol, but beverages such as sodas, energy drinks, seltzers, and bottled water. They are also focused on optimizing their domestic supply chain—raw materials to production to distribution to sales to consumption—and implementing value adding/cost reducing strategies across their business activities. This focus on shaping consumption practices and supply and value chain management causes multinational alcohol companies to take responsibility for the world around them as they need to not only utilize the local labor and raw materials to produce beer, but to consume it. Through covert embedding, it is able to accomplish these goals by appearing local so that the industry can initiate a process of stealthy assimilation—spreading its tentacles across the continent to deliver beverages to all as well as refashioning the surrounding environment to meet the needs of capital.

1.5 The Neo-Concessionary State

African states play a pivotal role in collaborating with multinational companies. Jean-Francois Bayart argues that Africans are “active agents” in maintaining their dependency with the outside world.47 From mobilizing under imperialism to gain economic influence to submitting to international structural adjustment programs (SAPs), there is a level of calculation on the part of leaders who rely on the outside

world to establish their political hold on their territory. Bayart puts forth a theory of extraversion or “strategies of extraversion”, which he defines as the way African leaders manipulate foreign powers to accumulate their personal wealth and power through processes of coercion, trickery, flight, mediation, appropriation, and rejection, or what he aptly calls “politics of the belly.” Multinational alcohol companies are a major source of tax revenue for African states. For example, Tanzania Breweries Limited is one of the highest taxpayers in Tanzania, while Brasseries du Cameroun is the third highest national taxpayer behind oil companies, controlling the national market share of not only alcoholic beverages, but water, seltzers, energy drinks and soft drinks. For countries dependent on foreign aid and with limited ways to tax their populations, multinational alcohol companies provide a welcome source of revenue to bolster African political regimes even if it means one company monopolizes the entire market.

I argue that the Ethiopian state does not respond to capital through “strategies of extraversion” but through a neo-concessionary politics. Meaning, the state selectively liberalizes, creating a competitive environment for capital, in order to avoid monopolization by one company, but that it strategically harnesses these companies to collect revenue for its own developmentalist agenda. This refers to the ways the government simultaneously looks to a diversity of foreign companies from China, India,

Turkey, and Korea, as well as the US and Europe for developmental support, while still protecting local industry—telecommunications and land ownership (state-owned, but contracted) and banking (off-limits). In the case of the multinational alcohol companies, the privatization of state-owned breweries in the 2000s and 2010s was part of a deliberate strategy—opening up to several companies to prevent the formation of monopolies, but also procuring tax and sale revenues gained from a newly expanded beer industry to pay for internationally unpopular state development projects like the Grand Renaissance Dam being built at the base of the Nile river—a project that promises to make Ethiopia into the largest exporter of electricity on the continent and replace Egypt as the Nile Basin hegemon. While the “politics of the belly” is a short-term strategy of filling up one’s stomach with food, a neo-concessionary politics is a long-term investment strategy for bolstering state power through revenue generating development projects.

Neo-concessionary politics emerges from the longue-durée of Ethiopian history, particularly its non-colonial past (Chapter 2). Unlike African states formed in the post-colonial moment, the Ethiopian state was forged in response to colonialism. Although never colonized, during the early 20th century, Ethiopia was a site of intense economic contestation as American, British, French, Italian, and German companies sought rights to key concessions in industries like banking, railroad construction, mining, rubber, and, briefly, oil extraction. In the Tripartite Treaty of 1906, British, French, and Italian
governments defined Ethiopia as an economic free zone, a space where joint-stock companies from all over the world could pursue their capitalist interests. Collaborating on the Ethiopian side was Emperor Menelik II whose role was internationally recognized as the territory’s sole “concession” granter and supervisor. He would embrace this position, using it as an opportunity to strengthen his own sovereignty by pitting foreign powers and companies against each other to win military equipment and infrastructural support, and to ensure Ethiopian representation in key enterprises like banking. The advent of the modern Ethiopian state was characterized by this contested and unequally collaborative project in which the Ethiopian head of state made economic concessions to foreign companies to pit colonial powers against each other but also strengthen his own authority at home—a concessionary politics.

The neo-concessionary politics of today is reflective of that past history and the bases for why no one multinational alcohol company dominates the Ethiopian alcohol (and beverage) market, which is not inherently enticing (sans population size). For example, the alcohol consumption per capita in Ethiopia is far less than that of South Africa and Nigeria, which have substantially larger markets not only for beer, but

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alcohol in general. The attractiveness of the South African and Nigerian markets has even led to multinational alcohol companies aggressively challenging each other’s monopolies in these countries. In South Africa, during the 2000s, the then SABMiller controlled a whopping 98% of the national beer market. In an attempt to challenge the company’s dominance, Heineken and Diageo banded together to created Brandhouse, which today has claimed about a 13% market share.\(^\text{54}\) In a reversal of roles, Heineken (Star Breweries) and Diageo (Guinness Nigeria) currently dominate the market in Nigeria with Diageo operating by a “total beverage alcoholic strategy” focusing on selling its well-known spirits (more popular with Nigerian consumers), as beer is just 16% of the alcohol market with Heineken dominating.\(^\text{55}\) Historically, AB InBev has operated nominally in the country through International Breweries. However, in the past several months, the company has ramped up its operations to challenge Heineken and Diageo.\(^\text{56}\) These markets are far more enticing to multinational alcohol companies than Ethiopia, yet Ethiopia has all the big players— albeit the lack of monopolies—and just as vicious fighting. This is not due to anything special about the market, but the

\(^{52}\) “Global Status Report on Alcohol and Health 2018,” 349.

\(^{53}\) This partnership is disbanded and Heineken is now the majority shareholder of Brandhouse.


active role the Ethiopia state in mediating global capital through a strategy of divide and control.

1.6 Brewing Development I: The Politics of Industry and Industrialization

The privatization of formerly state-owned breweries and the entrance of multinational alcohol companies into Ethiopia must be conceived within a national politics of promoting industry and industrialization. While neo-concessionary politics refers to how the Ethiopian government strategically privatizes companies as 1) a defensive strategy of pitting companies against each other to resist the pressures of global corporate capitalism and 2) to enhance its own state power through revenue generation, the politics of industry and industrialization are how such strategies play out on the ground today. Specifically, the politics of industrialization refers to how the state attempts to guide and control the privatization and deregulatory processes through a system of national economic planning, while the politics of industry refers to how multinational alcohol companies (through supply and value chain management strategies) and the state (through policymaking) are brewing forward and backward linkages, intentionally and unintentionally, for the purposes of profitmaking or developmentalism, respectively.

The politics of industrialization are a central aspect of the Ethiopian state’s national development strategy. Recent literature on economic development in Africa
emphasizes the pivotal role the state plays in engineering national industrialization. Drawing from these debates, advisor to the Prime Minister Arkebe Oqubay argues that pragmatic, empirically-driven industrial policies, reflective of the realities on the ground, are key to the economic transformation of Ethiopian society. He defines industrial policy as “a strategy that includes a range of implicit or explicit policy instruments selectively focused on specific industrial sectors for the purpose of shaping structural change in line with a broader national vision and strategy.” Such policy is neither neoliberal or anti-neoliberal but coordinates public enterprises and agencies as well as private companies, foreign and domestic, to stimulate sectoral development, moving resources from one end of the economy to more productive centers to activate economic transformation. Oqubay notes that industrialization is a “dynamic and complex process beset by dilemmas, tensions, and uncertainties...the product of negotiations between conflicting interests, rather than merely technical endeavors or the seamless translation into action of higher-level visions or strategies.” At the center of this all is the “activist” state whose role is to not only to guide but to spearhead this deeply political process.

59 Oqubay, 18.
60 Oqubay, 73–74.
61 Oqubay, 270.
The beginnings of industrialization in Ethiopia can be traced to the modernization efforts of the mid-19th to early 20th century as its leaders responded to looming foreign and domestic threats. Emperors Tewdros II, Yohannes IV, and Menelik II gradually began a process of consolidating and centralizing the state as they sought military and economic assistance from European leaders. Specifically, Tewdros II and Menelik II understood that modernization was essential to the survival of Ethiopian independence in an ever-changing world. Emperor Menelik II was particularly determined to modernize Ethiopia. He enlisted the support of Swiss engineer Alfred Ilg, who assisted in the development of infrastructural projects such as bridges, roads, and water supply systems, but also industrial projects such as ammunition factories. Through his style of concessionary politics (as discussed in the previous section), Menelik II also granted concessions to Europeans who promised to modernize Ethiopia. In 1913, one of those concessions was a brewery granted to a German capitalist named Arnold Holtz, who several years earlier brought the emperor a car with promises to

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64 Bitweded Alfred Ilg and Emperor Menilek II: *Pictures of a Unique Friendship and a Common Dream, the Modernization of Ethiopia*, Exhibition Catalogue of Photographs from the Ilg Collection at the Ethnographic Museum of the University of Zurich Switzerland (Addis Ababa: Embassy of Switzerland in Ethiopia, 2000), 17–32.
make Ethiopia a modern center of “motor roads” and “motor transport.” This brewery would become a “spiritual ancestor” to what would later become Ethiopia’s oldest brewery, St. George, founded in 1922 by a Belgian citizen named Mussie Dawit Hale. However, despite Menelik II’s emphasis on modernization as it relates to national survival, his efforts were ultimately nominal as industry remained virtually non-existent in Ethiopia.

Formal industrialization policymaking did not begin until the mid-20th century under Emperor Haile Selassie (1941-1974). According to revered Ethiopian economist Eshetu Chole, following the post-war period, the industrialization of Ethiopia under Haile Selassie can be divided into three periods: Phase I (1941-1952), Phase II (1953-1961), and Phase III (1962-1974). Phase I is defined as a period of minimal industrial development as the Ethiopian economy was geared towards exports, especially coffee, with only 63 firms producing goods such as textiles, beer and alcohol, flour and lumber mills, cotton, brick and cement plants, oil processing, and soaps operating in-country. Further, the Italian occupation before this phase brought moderate investment in road infrastructure but little in industry. Phase II and III were periods of substantial growth. During Phase II, food processing and beverage manufacturing played an especially

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68 Chole, 26.
salient role in economic development, comprising 67.7% of the gross value of manufacturing output by 1957\(^6\), thus accounting for the majority of investment during this period.\(^7\) In regards to beer, St. George Brewery further expanded under Haile Selassie and was soon followed with the establishment of Meta Abo Brewery in 1963. The later parts of Phase II and Phase III as a whole are marked by national planning as the emperor would institute the First Five Year Plan (1957-61), the Second Five Year Plan (1962-67), and the Third Five Year Development Plan (1968-1973) to encourage further industrialization and economic development as a whole. The first plan aimed to harness the country’s natural resources and population towards industrialization to grow the national economy, while the second and third plans continued an emphasis on industrialization, but placed greater importance on developing commercial agriculture.\(^7\)

With the assistance of an Ethiopian ruling class and foreign investment, Haile Selassie’s plans oversaw the creation and further expansion of firms like the Indo-Ethiopian textile factory and Wonji Sugar factory as well as the development of infrastructure such as roads, dams, and electric grids, and airlines to support these manufacturing endeavors. It also was accompanied by a process of state-building as institutions necessary for facilitating industrial development such as the Ethiopian Investment Corporation and

\(^6\) Chole, 36.
\(^7\) Chole, 39.
the national and central banks of Ethiopia were founded. However, despite Haile Selassie’s efforts, his industrialization strategy, with its emphasis on import substitution, light consumer good manufacturing, and an excessive reliance on foreign capital did not lead to structural economic change in Ethiopia.

The dynamics of this industrialization would shift with the Ethiopian revolution of 1974. For the subsequent Communist Derg government (1974-1991), industrialization continued to remain a central aspect of national economic planning. However, under the Derg, the previous members of the Ethiopian ruling class were either killed, imprisoned, or exiled as economic planning became a socialist project. The regime’s earlier periods were defined by general policy initiatives such as the zemecha— a national development campaign program meant to indoctrinate rural populations with communist ideology—, land reform policies, and the nationalization of all companies into industrial public enterprises (IPEs), including St. George Brewery (renamed Pilsner Brewery before later becoming Addis Ababa Brewery) and Meta Abo Brewery. Several years would pass before the National Committee for Central Planning (ONCCP) established a Ten-Year Perspective Plan (TYPP) for economic development. Meant to span from 1984/85 to 1993/94, the TYPP framework saw agriculture as the core of Ethiopia’s national economy, with industry playing a secondary, but prominent, role.

Specifically, the Derg government believed investment in the mining industry would generate national industrialization at large.\textsuperscript{73} During this period, industrial growth averaged about 2.5\% with negative growth rate towards the beginning and end of this period\textsuperscript{74} as it was overall a period of economic decline in Ethiopia, coinciding with a worldwide recession. Still, there was developments in beer as Harar Brewery and Assela Malt Factory were established as state-owned enterprises in 1984.

Finally, today, under the Ethiopian People’s Revolutionary Democratic Front (EPRDF), the strategy of industrialization by state-led national planning has continued, albeit now informed by a post-socialist ethnic federal-state structure needing to privatize a substantial number of state-owned enterprises inherited from the previous regime. Over the past decade, industrial policy has been implemented under The Growth and Transformation Plan I (GTP I) and The Growth and Transformation Plan II (GTP II). GTP I (2010/11-2014/15) and GTP II (2015/16-2019/20) are all-encompassing economic and human development programs, focusing on poverty reduction and the promotion of structural change through agriculture, industry, infrastructure, education, and health policies. In regards to industrialization, GTP I is specific in its aim to develop textile and garment, leather, sugar, cement, agro-processing, metal engineering, and chemical

\textsuperscript{73} Chole, \textit{Underdevelopment in Ethiopia}, 102–3.
\textsuperscript{74} Chole, 106.
industries\textsuperscript{75}, while GTP II is broader in its goals of bolstering the production capacity of export-oriented light manufacturing industries as a source of foreign exchange, employment, and technology transfer\textsuperscript{76}. Three factors greatly inform the ways in which such policies are implemented through a strategy of “linkage effects” (discussed in the next section)—1) the destruction of the former imperial ruling class, 2) the national ethnic federal-state structure and 3) the privatization, liberalization, and deregulatory processes. Foremost, due to the Derg regime’s reign of terror under the leadership of Mengistu Hailemariam, EPRDF was left without a ruling class to spearhead its industrialization agenda. This in part led to the rise of a developmentalist state under the new ruling party which became the main driver of economic growth (controlling the allocation of capital) within the country. Secondly, EPRDF’s ideology of “revolutionary democracy” espouses a project of state-building through ethnic mobilization\textsuperscript{77} driven from the top-down by a ruling leadership or “vanguard” party.\textsuperscript{78} This vanguard or ruling party (central committee) is the “engine” that drives Ethiopia’s developmental process.\textsuperscript{79} In the 2000s, EPRDF began a process of bureaucratic capacity building that was simultaneously centralizing (in its interpellation of local, municipal, regional, and


\textsuperscript{77} See Chapter 2 for a more thorough discussion of ethnic federalism in Ethiopia.


\textsuperscript{79} Vaughan, 628.
ethnic federal state actors into its political and developmentalist ideology), and decentralizing (in its granting of greater fiscal and governing autonomy to those same bodies). In this way, the ruling party aggressively organizes the state (at-large) along a single socio-political and economic ideology, while granting freedom to ethnic states (local, municipal, and regional governments) in its implementation of that ideology. This is most likely one reason for Ethiopia’s many breweries. For example, Dashen Brewery and Gondar Malt Factory are owned by TIRET Corporation, an endowment fund of the Amhara ethnic group—one of several ethnic-run corporations located across several regional states. These endowments and other independently established regional companies, such as Raya brewery in the Tigray-state, must be understood as a source of tax revenue for not only federal, but regional governments. Thirdly, Ethiopia’s status as a post-socialist state has greatly affected its industrialization process as there are a massive number of state-owned enterprises that EPRDF inherited from the previous Derg regime. Due to this, privatization, liberalization, and deregulation have become central to its national planning strategy. Under the GTP, 44 state-owned enterprises in manufacturing sectors, including state-owned breweries, were sold as part of an

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80 Vaughan, 630–34.
82 Chole, Underdevelopment in Ethiopia, 241–240.
industrial capacity building program.\textsuperscript{83} However, this privatization process is not one guided by international pressure and the tenets of neoliberalism, but a very Ethiopia-specific “independence policy” observable through the ways in which the state wields bureaucracy to meet its industrialization agenda (Chapter 7).

\textbf{1.7 Brewing Development II: Towards an Anthropology of Industrial Linkages}

At the core of the Ethiopian state’s industrial planning today is a national strategy of Agricultural Development Led-Industrialization (ADLI)—a policy framework that places emphasis on the development of agriculture-centered, export-oriented, and labor-intensive manufacturing industries.\textsuperscript{84} This strategy promotes industrialization through “linkage effects”\textsuperscript{85} meant to stimulate economic activity in a given sector in order to further generate economic activities within, across, and/or outside of that same sector.\textsuperscript{86} The Ethiopian state is interested in exploiting linkages between agriculture and manufacturing industries (as a rule), but actively supports the formation of other industry-related backward linkages (development of production inputs and the means of production) and/or forward linkages (new activities through commodity output). In his book, Oqubay illustrates how economic linkages are generated in cement, agriculture, and textile industries. Specifically, he boasts of the

\textsuperscript{83} “Growth and Transformation Plan 2010/11-2014/15,” 18.
\textsuperscript{84} Oqubay, \textit{Made in Africa}, 79.
\textsuperscript{86} Oqubay, \textit{Made in Africa}, 45–50.
Ethiopian floriculture boom, which he attributes to collaboration between bureaucratic institutions such as the National Export Coordination Committee (NECC), Development Bank of Ethiopia (DBE), Ethiopian Horticulture Producers and Exporters Association (EHPEA), and the Ethiopian Horticulture Development Agency (EHDA) and foreign and domestic companies dedicated to growing the industry. He further points out that state institutions and companies engendered linkages in other sectors such as airline cargo and packaging industries, while noting the possibility of other agriculture linkages in the seed supply system. Just like flowers, cement, and leather, my dissertation research on multinational alcohol companies exists within this national industrial policy of linkage creation. The buying and selling of beer is not an export-oriented industry (although several agency officials have expressed their desire to increase alcohol exports as a future source of foreign exchange), but remains a priority because it generates major linkages in the agriculture sector (Chapter 6) as well as other industry-related activities such as food & beverage service, entertainment, and advertising (Chapter 3), beer distribution and draft cleaning services (Chapter 4), and stimulates technology transfer in the manufacturing sector (Chapter 5).

Linkages are not only material and economic, but scintillating with socio-cultural, symbolic, affective, religious, ethnic, and political meaning. In my own research, beer comes to embody development as the beer industry renews (or spawns)

87 Oqubay, 149–94.
economic activity associated with the production, circulation and consumption of alcohol. Throughout this dissertation, I explore the social, cultural, economic, political, and ethnic dynamics underpinning, driving, and resisting such linkages. Specifically, chapter 3 examines how forward linkages emerge from activities centered around the buying, selling, and consumption of beers. I show how multinational alcohol companies heavily invest in forming reciprocal relations with the owners and staff of bars, restaurants, groceries, and hotels across Addis Ababa as they compete with each other to gain the favor of these retail outlets. I also explore how the circulation of beer leads to new spaces of sociality for consumers and how beer itself comes to signify an Ethiopian futurity or modernity to the local consumers, albeit not divorced from religious, ethnic,
and political rivalries. Chapter 4 analyzes the everyday life of draft machine cleaners— a forward linkage and service supported by beer distribution agents. Over the past few years, draft cleaning has become a necessary social and technical infrastructure for the buying and selling of not only draft beer, but bottled beer. I follow draft cleaners through their daily ritual of cleaning as they foster affective and symbolic associations between cleanliness, taste, sales, and a market desire for profit and wealth. Chapter 5 investigates the formation of global backward linkages as multinational alcohol companies import innovative brewing technologies to meet the demands of capitalist production. I analyze the brewery as a site of collaborative contestation as competing orientations towards breakdown and repair manifest when international suppliers (brought in by multinational alcohol companies) attempt to discipline Ethiopian engineers into the monitoring and managing regimes of newly installed technosystems of production. Chapter 6 explores how Heineken and the Ethiopian state (through the CREATE CSR Program) negotiate responsibility and exert control to grow the domestic malt barley supply chain. In stimulating this backward agriculture linkage, I examine how Heineken and the Ethiopian state (local, regional, and federal) were “successful” in multiplying the barley yield of small-scale farmers who welcome this collaborative intervention in some instances, while resisting it in others. I further situate this development within the reality of unemployment and ethno-political unrest in the Oromo Regional State.
Finally, the following pages illustrate how socio-cultural and economic linkages are generated through processes of supply and value chain management. Multinational alcohol companies are actively managing their supply and value chains in the interest of 1) profit-making, as companies are always looking for ways to make more money, and 2) competition, as the beer industry is a site of global corporate warfare, as companies are actively trying to undercut and dominate their competitors (in and outside of Ethiopia). Along with the general market activities of producing, distributing, and selling beer, companies manage their supply chain—from the collection of raw materials to the brewing process to the circulation of the commodity—and apply value adding/cost cutting strategies along company activities such as inbound logistics, operations, outbound logistics, marketing, sales, and services, along with secondary activities such as procurement, human resources, technology development, and infrastructure\(^89\) in order to increase profit and challenge competition by creating competitive advantages. While speaking to a Director at the Institute for Food, Beverage, and Pharmaceuticals in Ethiopia, he emphasized that the importance of beer is not the “commodity” itself but the “value chain”\(^90\) created by that commodity. This value chain is central to creating forward and backward linkages such as fostering technology transfer in other industries through the importing of cutting-edge machine equipment.

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90 He was collapsing the ideas of value and supply chain management in this reference
and organizational strategies that should eventually benefit other burgeoning industries. At times, companies generate these linkages on their own (Chapter 3, 4, and 5), unless it becomes in the interest of national, federal, regional, and local institutions to collaborate in such management processes as the state did with Heineken in accordance with the strategic goals of its ADLI policy (Chapter 6). Thus, while multinational alcohol companies as an industry aggressively manage their supply and value chains to turn profits, the Ethiopian government tries to utilize these chains to implement its own industrialization agenda to its neo-concessionary ends.

1.8 Chapter Overview

Chapter Two (In the Shadow of Empire: Alliance and Concessionary Diplomacy in Ethiopian History) tracks the historical emergence of neo-concessionary politics—a style of diplomacy that responds to global capital in ways that protects and enhances state power. Necessary for understanding contemporary Ethiopian attitudes towards global corporate capitalism, I argue that the formation of the modern Ethiopian state is just as much of a result of its political engagement with the outside world as it was formed through tumultuous regional and local politics. I move between theories of alliance diplomacy (or alliance politics)—i.e. how Ethiopian leaders fostered partnerships with foreign empires on religious, economic, and political grounds in order to strengthen their position against foreign and domestic threats—and concessionary diplomacy (or concessionary politics)—i.e. how Ethiopian leaders courted the attention of several
competing foreign empires, all of which posed a threat to their territorial power, pitting
them against each other through economic concessions, provoking jealousy and
infighting, not only as a defensive strategy against invasion, but as a revenue making
strategy through trade, taxation, and customs revenue. While alliances have been (and
continue to be) forged for centuries, concessionary politics emerged in response to
colonialism with the failure of the Italians to defeat the Ethiopians at the Battle of Adwa.
Today, the Ethiopian state exercises a neo-concessionary politics descended from such
diplomatic engagements central to the country’s modern formation.

Chapter Three (Making Markets in Addis Ababa: Reciprocity, Beer, and the Gift of
Modernity) turns to the present moment, examining the “embedding” and “assimilation”
process of multinational alcohol companies through a politics of reciprocity and gift
exchange in bars, restaurants, groceries, and hotels across Addis Ababa. Beginning with
the destruction of the old and the forging of new beer distribution networks, I examine
how multinational alcohol companies are engaged in an all-out marketing war—a war
whose material and sensorial effects are seen and heard (massive advertising campaigns
and event sponsorships) and tasted (the unending flow of beer) across the city. I argue
that in order to get an edge over their competitors, multinational alcohol companies
engage in the reciprocal exchange of promotional products to gain the favor of retail-
outlets that sell beer as well as employ branding strategies that evoke an Ethiopian
modernity to attract consumers. Meanwhile, the increased circulation of commercial
lagers and the proliferation of branding and advertising indirectly reframe consumer associations with indigenous alcohols, locating them in the traditional past, while beer signifies the future.

Chapter Four (Lubricating Infrastructure: The Draft Cleaner and Rituals of Cleaning in Addis Ababa) follows an unassuming figure, the draft cleaner, most often young Ethiopian men hired by beer companies to clean and maintain beer draft machines located in bars, restaurants, groceries, and hotels across Addis Ababa. The draft cleaner operates during ṭsidat seat (cleaning hour)\(^9\) — the everyday ritual period of marketplace preparation that reproduces the affective, material, and social-symbolic bonds and meanings necessary for markets to function — an “architecture of circulation,” or what I call a lubricating infrastructure. The draft cleaner acts as an agent of change during this period — advocating development through a corporate ethos that connects cleanliness to quality draft taste to promises of wealth and more profits. Moving from bar to restaurant to grocery to hotel, the draft cleaner (albeit unknowingly) paves the way for multinational alcohol companies to further embed themselves into the local economy and assimilate drinkers through his fostering of affective bonds communicated through the language of clean, dirty, and contaminated.

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\(^9\) For notes on Amharic transcription see Allan Hoben, Land Tenure among the Amhara of Ethiopia, (Chicago: The University of Chicago Press, 1973), xi-xii.
Chapter Five (Technosystems of Production: The Politics of Optimization and Breakdown in National Breweries) leaves the streets of Addis Ababa for the massive renovations occurring at national breweries across the country. I examine how the arrival of multinational alcohol companies in Ethiopia (their global suppliers and sub-suppliers in tow) has led to technology transfer, corporate restructuring, and new disciplinary strategies to meet the needs of capital. I argue that breweries in Ethiopia are technosystems of production—meaning labor is not organized so much around the physical act of brewing, but the monitoring and managing of technological systems for opportunities for machine performance optimization as well as prevention of systems breakdowns. Determined to update outdated factory processes to meet the growing national demand for beer and to facilitate in the eventual creative destruction of indigenous alcohol production, multinational alcohol companies have developed breweries into smart systems of production that signal the coming of a fourth industrial revolution—an unexpected development at the corners of the dark continent.

Chapter Six (Heineken’s CREATE Project: Growing the Malt Barley Supply Chain in the Ethnic State of Oromia) moves from production, distribution, and consumption to the barley farms of Arsi, West Arsi, and Shashemene. I analyze the economic, social, political, and institutional processes underpinning the enactment of Heineken’s CREATE Project, one of the largest (and most successful) CSR projects in Ethiopia. Through Heineken’s collaboration with farmers, cooperatives, unions, the regional and
federal Ethiopian governments, parastatal organizations, NGOs, and the Dutch government, the CREATE project aims to improve the production and quality of the barley supply in Oromia as part of Heineken’s corporate goal of sourcing the majority of its malt barley (a main input for brewing beer) locally. Focusing on Heineken and the Ethiopian government, I argue that both multinational companies and the state are in the business of managing supply chains through 1) the negotiation of responsibility and 2) the politics of control, as both are disciplining smallholder farmers to meet their supply and developmental goals, respectively. However, these farmers, while demanding and embracing institutional care, are simultaneously resisting attempts of control as state and corporation engage in the development of the supply chain from seed system to the delivery of malt barley to the breweries, all of which is situated within a context of unrest due to ethnic tension, youth unemployment, and land conflict engulfing the region.

Chapter Seven (The Politics of Industrialization: Privatization, Bureaucracy and the Making of a National Economy) explores how the national economy is generated through collaborative and contested encounters between the state and capital. This is a dynamic process that unfolds on the level of bureaucracy, meaning a state system of institutions, policies, and laws, mediating the formation, entrance, and movement of capital within the territory. I argue that the privatization process is highly politicized in Ethiopia—strategically designed to circumvent economic monopolies that might undermine the
state’s control over its national economy as well as deliberatively implemented as a revenue generating strategy that reinvests in infrastructural and industrial development. Situated within a maze of shifting institutions, contradictory policies and muddled laws, Ethiopia’s privatization program is part of a flexible bureaucratic structure wielded by the ruling party, with and against capital: a neo-concessionary strategy that tries to assert state dominance over foreign (and domestic) industry to dictate the direction and terms of industrialization.
2. In the Shadow of Empire: Alliance and Concessionary Diplomacy in Ethiopian History

This chapter is a challenge to longstanding scholarship in Ethiopian studies that views state formation in the Horn of Africa as chiefly the result of local rivalries.¹ Most recently, Christopher Clapham argues that due to the region’s non-colonial history, the formation of Ethiopian, Eritrean, Djiboutian, Somali, and South Sudan states was not so much the outcome of conflict with colonial and imperial powers, but from intense regional infighting especially in the Eritrean and Ethiopian highlands.² However, I posit that the modern Ethiopian state is just as much a result of its political engagements with foreign empires as it is a product of tumultuous internal politics, as the two dynamics are inseparable.

I argue that the Ethiopian state, as we know it today, was formed in the shadow of and in negotiation with empire through shifting strategies of alliance and concessionary diplomacy. Alliance diplomacy (or alliance politics) refers to how Ethiopian leaders fostered partnerships with empires for religious, economic, military, and/or political purposes to strengthen their position against foreign threats and domestic rivals. Concessionary diplomacy (or concessionary politics) refers to how Ethiopian leaders courted the attention of several competing powers, all of which were

an imminent threat to the territory. This state-in-formation exploited their rivalries and pitted them against each other through the strategic offering of economic concessions, fomenting jealousy and infighting as a defensive strategy against invasion. However, concessionary politics also refers to how these leaders benefited from infighting, using it as an opportunity to collect tax and customs revenue from foreign companies to strengthen their own power by redirecting funds towards modernization projects. Alliance politics has been (and continues to be) the primary diplomatic strategy of Ethiopian leaders. It is not until the late 19th and the early 20th century, however that concessionary politics emerges, following the Italian defeat at the Battle of Adwa—a diplomatic strategy central to the foundation of the modern Ethiopian state as the territory faced looming threats from the British, French, and Italian empires. Today, Ethiopian leaders respond to the threats of global capital similarly with a neo-concessionary politics.

The following pages are a political history of Ethiopia retold as a series of alliances and concessions negotiated in the shadow of empire.³ The Rise of Christianity and Islam examines the contentious, yet productive political-religious alliance between Christian Abyssinia and the Coptic Church in Alexandria, Egypt within the context of Islam’s rapid spread along the Red Sea and North Africa. Turbulence in the Red Sea marks

³ The politics of alliance and concession are not mutually exclusive. I focus on dominate modes of engagement with the outside world, meaning the most salient and defining strategies of a particular historical period.
the decline of Egyptian influence and the entrance of the Portuguese, who formed a religious-military alliance with the Ethiopians against jihadists in the Horn of Africa as well as the Ottoman Empire. *In the Absence of Empire* explores the 200-year period in which Abyssinia had limited interactions with the outside world as trade declined in the Red Sea. It also examines the reemergence of European interest in the Red Sea with the British capture of Aden in 1839. During this period, Ethiopian leaders began writing letters to European leaders in order to challenge local and regional rivals as well as the rising Egyptian state under Mohammed Ali. *The Scramble for Africa* continues from this period of internal rivalries to the rise of leaders such as Tewodros II, Yohannes IV, and Menelik II who continued a European-centered alliance politics directed at internal and regional rivalries. However, it would not be until the Battle of Adwa that the territory would finally unite to defeat the Italians. *The Concessionary State* marks the end of the colonial campaign as emperor Menelik II contends with looming British, French, German, and Italian powers through a concessionary politics. *World Wars: Europe and the League of Nations* marks the death of Menelik II and rise of Halie Selassie who soon switches to a strategy of garnering the political support of the League of Nations in order to protect the country’s sovereignty. However, despite his best efforts, Ethiopia would soon be overcome by Italian military invasion. *Cold War: America and the Soviet Union* follows the aftermath of the Italian invasion and Ethiopian liberation as Halie Selassie abandoned his previous style of diplomacy for a political-military alliance with
the Americans. However, with the advent of the Ethiopian revolution and the emperor’s removal and death, the Derg would replace that political-military alliance with another one, realigning itself with the Soviet Union. Finally, the chapter concludes with an introduction to The Neo-Concessionary State with the ascension of the Ethiopian People’s Revolutionary Democratic Front (EPRDF) to power and its resistance to foreign capital (including multinational alcohol companies)— a dynamic more thoroughly discussed in chapter seven.

2.1 The Rise of Christianity and Islam

During the first millennium AD, the “city state” of Aksum became a critical maritime power in the Red Sea through trade—and later its embrace of Christianity. It exported luxury goods such as gold, salt, ivory, incense, and animal skins as well as slaves— young Habesha men and women highly demanded as soldiers and concubines, respectively, to what today is known as the Middle East and South Asia. It also imported glassware, pottery, iron, textiles, metalwork, carved marble works from Rome, Constantinople, and Egypt, Arabia, the Persian Gulf, and India. The Aksum city-state would soon become the Kingdom of Aksum, assuming control over an extensive caravan trade network and the Port of Adulis, located on the Red Sea, connecting

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African, Asian, and Mediterranean port cities. Initially, its inhabitants practiced a polytheistic faith, but this would change with the spread of Christianity into the Horn of Africa. Two prominent Aksumite leaders spearheaded this shift. In the 4th century, the ruler Ezana embraced Christianity, making it the faith of the Kingdom, while the 6th century ruler Kaleb integrated Christianity into his foreign policy, successfully invading South Arabia in response to the Jewish King Dhu Nuwas’ persecution of Christians.

However, beginning in the 7th century, the Kingdom of Aksum saw a steady decline with the spread of Islam in the Middle East as well as the North and Horn of Africa. The Aksumites found themselves isolated by the Abbadis in Baghdad (750 to 1517 AD) whose foreign policy followed the hadith: “Leave the Abyssinians alone, so long as they do not take the offense” in remembrance of the Aksumite King that offered Muhammed and his followers refuge as they fled persecution.6 By the 8th century, Abyssinia enjoyed a “special, symbolic status” as an empire that “had the right to exist, but only as a marginal irrelevant entity, isolated and ignored.”7 Due to this new reality, the Aksumites eventually found themselves losing control over their caravan trade routes as well as their access to the sea, and by the 10th century, the Queen of Gudit raided and sacked the capital, marking the Kingdom’s demise—subsequently replaced by the Zagwe Dynasty, the new center of Abyssinia, formed 150-180 miles south-east of Ḥagai Erlich, *Ethiopia and the Middle East* (Boulder, CO: Lynne Rienner Publishers, 1994), 9.

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7 Erlich, 19.
the former capital. Continuing in the Aksumite Christian tradition, the Zagwe Dynasty was an ecclesiastic kingdom focused on building monasteries and churches such as Lalibela, *Imraha Kirstos*, Debra Damo, and *Medhane Alem*; producing religious manuscripts written in Ge’ez; and Christian iconography, but enjoying only limited maritime trade as Arab control along the Red Sea isolated the Zagwe from port access. The Zagwe Dynasty would be short lived. During the late 13th century, Yekuno Amlak conquered the Kingdom and become the *Negus Negast* (King of Kings), establishing the Solomonic Dynasty, a system of governance which continued (albeit not without its interruptions) until the deposition of Haile Selassie in 1974. From the 13th to 17th centuries, the Solomonic Dynasty continued to strengthen the Abyssinian Christian tradition through written texts such as *Fetha Negast* and *Kebra Negast*. However, like the Zagwe, the Solomonic emperors found themselves continuously in conflict with their Islamic neighbors to the north and along its coasts.

Due to its isolated predicament, at the turn of the 1st millennium, Abyssinia formed a *political-religious alliance* with Alexandria (the Copts) and thus Egypt, which mediated its relationship with the surrounding Islamic empire. Erlich Haggai’s *The Cross and the River: Ethiopia, Egypt, and the Nile* (2002) explores how under the Zagwe and later Solomonic Dynasty, the Ethiopian Orthodox Church was strengthened through its ties

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9 Phillipson, 136–38.
to Alexandria. Since 333 A.D., Ethiopia and Egypt developed a relationship centered on the appointment of an *abuna*, the Ethiopian Orthodox Church patriarch. This dependent relationship was beneficial to Egyptian Copts who gained respect from Egyptian Muslims through their relationship with the Ethiopian emperors (who sometimes threatened violence if Copts were killed), while Ethiopians found a Christian link in a region dominated by Islam. The Nile River also played a key role in mediating this relationship. A source of Egyptian life and identity, the Nile Rivers have been at the heart of Ethiopian-Egyptian relations for centuries. 86% percent of the Egyptian Nile waters come from the Blue Nile River which begins at Lake Tana in Ethiopia. Over the centuries, Egyptians have feared that Ethiopia might obstruct the Nile waters, a fear that has caused Egypt to view Ethiopia as an “other” that poses an existential threat to its empire—making this political-religious alliance rife with tensions. For example, under the Zagwe dynasty conflict emerged from the actions of one *abuna* who arrived in Ethiopia with an ulterior agenda. Haggai states:

“… in 1080 Abun Sawirus arrived in Ethiopia with strict orders from the Fatimid Sultan al-Mustansir bi’llah (1036-1094) to look into the construction of mosques. Abuna Sawirus (like many of his predecessors and successors) tried to persuade his Ethiopian congregation to become monogamous and asked the patriarch to write to the king and the Ethiopians forbidding them to observe the customs of the Old Testament. He is said to have built seven mosques before he was imprisoned by the king. When the sultan heard that these mosques had been destroyed, he initiated reprisals against the Copts. Soon afterward the Nile waters went down and famine began. This disaster was quickly attributed to Ethiopian interference with the river…This episode heralded a long cycle of threats and reprisals…The *abuna*, embodying Ethiopian Christian identity was second only to the emperor. By tradition he would not only anoint the ruler, but
also sit to his right, close enough to symbolize the unity of the cross and the crown. The fact that the Egyptian rulers were in a position to deny Ethiopia its religious head, a man of such political and spiritual centrality, was the main factor behind many relevant episodes. If the Nile, or the myth regarding the emperors’ ability to block it, was the Ethiopian card, then the Egyptian card was the sultan’s or the Coptic patriarch’s ability to delay or avoid sending an abuna.”

This fraught alliance would continue for several centuries as the Egyptians leveraged the abunas against the Ethiopians and the Ethiopians the Nile waters against the Egyptians. This co-dependent relationship with Egypt—in the face of isolation by the rest of the Arab world (except for the trading of Habesha slaves favored by the Umayyads and Abbasids12)— was central to shaping the Abyssinian Christian identity in the shadow of Islamic empire through its fraught but necessary alliance with Egypt.

**2.2 Turbulence in the Red Sea**

The 15th and 16th centuries would bring a power shift in the Red Sea with the rise of rival Ottoman and Portuguese naval powers and the decline of Egyptian influence in the North and Horn of Africa. During the late 15th century, the Ottomans launched several unsuccessful offenses against the Mamluk Sultanate in the Anatolian peninsula13, while the Portuguese attempted to disrupt Mamluk-Indian trade routes through raids by Admiral Afonso de Albuquerque who, after a series of victories (Socotra (1507), Diu

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(1509), Goa (1510)) failed to capture Aden in 1513 and later in 1517. However, it was the Second Ottoman-Mamluk Conflict (1516-17) that ultimately led to the demise of the Mamluk Sultanate at the hands of Sultan Selim, as Ottoman supremacy spread into North Africa (with the exception of Morocco) under Selim and his successor Süleiman the Magnificent. With Egypt at bay, what followed was a 16th century marked by naval conflict between the Ottomans and the Portuguese in the Red Sea and Indian Ocean—conflicts in which Abyssinian would find itself engulfed as its political-religious alliance with Egypt became secondary to its negotiations with Ottoman and Portuguese empires in face of jihad by neighboring territories.

By the 16th century, Abyssinians found themselves increasingly under the assault of Muslim raiders from the east. Such raids were not new to the Christian inhabitants, but the decline of the Egyptian Mamluk hegemony saw an increase in their intensity and frequency as Abyssinians found themselves subject to a jihad led by Iman Mahfuz of Zeila who would wage a holy war against them—strategically raiding during the fasting months of Lent—taking prisoners of war and selling them into Arabian slave

16 It still continued to receive its *abuna* from Alexandria.
17 Erlich, *Ethiopia and the Middle East*, 27.
markets. Mahfuz was eventually killed by emperor Lebna Dengel in 1516 at Fatagar, who afterward began a process of systematically consolidating his power by overtaking the aristocracy, military, and church, while persecuting Muslims through a heavy tribute system and segregation policies to control caravan traders to (and from) the Red Sea. However, Lebna would soon be challenged again by Ahmad ibn Ibrahim (or Ahmad Gragn), Mahfuz’s son-in-law, who was determined to overthrow the Abyssinians and unite the Horn under one Islamic faith, using the cannons and firearms he brought from the Ottomans. From the pillaging of churches, monasteries and palaces to forced conversions to the conquering of territories such as Fatagar and Dawaro provinces, Ahmad Gragn was successful in his invasion of Abyssinian (1529-1540)—eventually avenging his father-in-law’s death by killing the Abyssinian emperor in 1540.

In the face of defeat, the Abyssinians turned to the Portuguese for a religious-military alliance on the basis of their shared Christian faith and rivalry with Ahmad Gragn and his ally the Ottomans. It was the Portuguese (hoping to reach the mythical
Prester John—the lost Christian king of the orient) who first contacted the Abyssinians as early as 1505 to form a Christian alliance in the Red Sea. However, diplomatic relations would not be established until much later, as Ethiopian Queen regent Elleni, aware of the growing Muslim threat in the Horn, sent an Armenian trader named Mateus to Lisbon to request military assistance from the Portuguese royal court. Mateus arrived in 1514, but it would not be until 1520 that Portuguese docked at the port of Massawa. By this time, Lebna had defeated Mahfuz and assumed power over several provinces, thus uninterested in a Portuguese alliance. It would not be until 1535, under the onslaught of Ahmad Gragn, that Lebna would have a change of heart. He sent João Bermudes, a missionary who remained from the initial Portuguese visit back to Portugal, promising the full conversion of the Abyssinian people to Catholicism if the country came to its aid, as well as invoking a shared brotherhood against Islam. Meanwhile, Ahmad Gragn would also make an appeal for support, but to the Ottomans, requesting 3,000 men—a request that was granted with just 900 fighters and 10 cannons, as the Ottomans were too busy fighting the Zaydis in Yemen to care greatly about the conflict in the


Abir, Ethiopia and the Red Sea, 111.

Henze, Layers of Time, 84–85.

Henze, 92.

Castanhoso, The Portuguese Expedition to Abyssinia in 1541-1543 as Narrated by Castanhoso, 107–12.
Horn. Not quite matching that number, the Portuguese arrived in the Horn with 400 trained solders led by Dom Christopher da Gama to aid the now Abyssinian emperor Galadewos. To Gelawdewos’ misfortune, Christopher da Gama would be killed in 1542 (not long after his arrival) and his head sent to the Ottoman pasha in Yemen by Ahmad Gragn as a boast of his conquest. Still, not long after, the Abyssinians and Portuguese found both luck and success at the Battle of Weyna Dega (Dembiya) in 1543 when Ahmad Gragn was shot by a Portuguese soldier, causing his forces to scatter and ending his holy war.

The end of Abyssinia’s conflict with Ahmad Gragn marked a shift in its alliance with the Portuguese as religious conversion became a source of tension between the two people. After Ahmad Gragn’s defeat, João Bermudez demanded that Gelawdewos convert to Catholicism as promised by his father Lebna. This conflict would eventually lead to the missionary’s exile by the emperor who was “exasperated by his [doctrinal] ignorance.” Another missionary, Padre Mestre Goncalo Rodriguez found himself debating with local monks only to realize that “Prester John would give more trouble

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29 Erlich, *Ethiopia and the Middle East*, 32.
than was anticipated”33 as Gelawdewos only reinforced his allegiance to the Ethiopian Orthodox Church, composing his apologetics in *The Confession of the Faith* (1555).34 Still, the Portuguese remained determined to convert the Abyssinians and with the support of Ignatius of Loyola, a new band of Jesuit priests led by Bishop Andre da Oviedo arrived at the Port of Massawa in 1557.35 Over the years, the Portuguese would find some success.36 Spaniard Father Pero Pais converted emperors Ya’qob and Za Dengel who were deeply aware of how important Portuguese military support was in protecting Abyssinian peoples from invaders, as well as Emperor Susenyos (crowned in 1607) who briefly made Catholicism the official religion of Abyssinia.37 However, Pais would be succeeded by the tyrannical Afonso Mendes who demanded that Susenyos implement rapid reforms, the direct cause of Susenyos’ abdication in 1632.38 In that same year, his successor Fasilidas expelled the Portuguese (after nearly a century

33 Sanceau, 174.
36 It is important to note that in this same year the Ottomans would take control of the Port of Massawa as they continued to play an important political-military role in the Horn. Specifically, following the death of Gelawdewos, his successor emperor Menas would find himself in conflict with a northern Christian noble named Nagash Yeshaq. Yeshaq was previously an ally against Ahmed Gragn, but afterwards became a rival to the Emperor by aligning with the Ottomans once realizing they were not as interested in the Islamization of the Horn as they were in fortifying their political-military power in the Red Sea. This alliance would lead to the defeat of the Menas in 1562 and provincial autonomy until an eventual defeat by Menas’ successor Sarsa Dengel. For more on this conflict see: Erlich, *Ethiopia and the Middle East*, 34–36.
alliance)—even going so far as to negotiate with “the pashas of the Red Sea ports” to ban the entrance of Portuguese intending to “re-establish Jesuit influence” in the Horn.39

2.3 In the Absence of Empire

“On the death of his father, Basilides expelled the Latin patriarch, and restored to the wishes of the nation the faith and the discipline of Egypt. The Monophysite churches resounded with a song of triumph, ‘that the sheep of Aethiopia were now delivered from the hyaenas of the West;’ and the gates of that solitary realm were forever shut against the arts, the science, and the fanaticism of Europe.40

Despite the general vitriol he felt for Christian institutions, English MP and historian Edward Gibbon believed that Catholicism with all its “fanaticism” was Ethiopia’s link to an “enlightened” European civilization. With the expulsion of the Jesuits, he laments that the Abyssinians returned to a period of isolation, cut off from the rest of the world as they were before the appearance of the Portuguese: “Encompassed on all sides by the enemies of their religion, the Aethiopians slept near a thousand years, forgetful of the world, by whom they were forgotten.” To Gibbon, the Ethiopians, clinging to their Orthodox Christianity, found themselves once again alone and surrounded by the greater Islamic world. However, such a simplification of Ethiopian history undermines Abyssinia’s nearly millennial alliance with the Egyptians (the church of Alexandria), as discussed earlier, but also the political realities of the Red Sea in the following two centuries, as the absence of empire—an active imperial hegemon

39 Pankhurst, 108.
exercising its dominance in the Red Sea—led to a period of “splendid isolation” for the Abyssinians. This lasted up until the 19th century as European and Ottoman interests in the Red Sea were rekindled with the Napoleonic invasions and later the ascension of the formidable Muhammad Ali (1805-1848) in Egypt.

For nearly a century, the Ethiopians would have no major alliance with surrounding empires, thus allowing the Abyssinians to retreat into their faith and attend to internal political rivalries under two distinct historical ages: The *Kingdom of Gondar* (1636-1769) and the *Era of the Princes* (1769 to 1855). During these eras, the Red Sea saw a decline in activity with the disappearance of Portuguese hegemony and Ottoman interest as the region steadily decreased as an important trading center. This absence of empire allowed the Abyssinians to flourish under the *Kingdom of Gondar*—the new economic, political, and religious center of Ethiopian life. Founded by Emperor Fasiladas (the same emperor who expelled the Jesuits), the city was a site of Christian highland power as well as a stop in the regional Muslim caravan trade route stretching from Egypt and Sudan, on one end, to Massawa on the other. The city’s religious population was comprised of Christians (2/3), Muslims (1/3), and a minority Jewish

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41 The first-half of this era only
43 It is important to note that during this period Western European economic and political interests were increasingly directed towards the lucrative plantation economies of the Americas and the Atlantic Slave Trade, while the Ottoman empire was in a steady decline as it found itself fighting several disastrous wars with the Holy Roman Empire and Russian Tsars as well as experiencing internal strife and conflict across its territories during the late 17th and 18th centuries. For more on the Ottoman Empire during this period see Alan Palmar, *The Decline and Fall of the Ottoman Empire*, 1st ed. (New York: Fall River Press, 2011).
Falasha population\textsuperscript{44}, while Catholicism was banned in 1669\textsuperscript{45}. Known for its palace and church buildings, the Kingdom would grow under Emperor Failadas, his son Emperor Yohannes (1667-1682), and his grandson Iyasu I (1682-1706) until the assassination of the latter in 1706. What followed were alternating periods of political turmoil and relative stability under the nine-year rule of Emperor Bakaffa and the two-time governorship of Empress Mentewwab (Queen regent for her infant son Iyasu II and later grandson Iyo’as). The Kingdom finally fell at the hands of Ras Mika’el Sehul of Tigray who assassinated Iyo’as in 1769 and soon after poisoned his great-uncle Emperor Yohannes II—bringing an end to the Kingdom of Gondar and ushering in a period of political disunity and rivalry in the Abyssinian highlands best known as the \textit{Era of the Princes} (or the \textit{Zemene Mesafint}).\textsuperscript{46} This age was marked by regional anarchy as the principalities of Tigre, Gondar, Shoa, Wollo, Semien, Wolkait, Wogera, Showa and Lasta were in competition with each other for power. Meanwhile, the Oromo peoples continued their expansion into the Ethiopian highlands, a process that began in the 16th century and 17th centuries and continued until 1830.\textsuperscript{47} Under the \textit{Kingdom of Gondar}, the Oromo peoples played a significant political role. By the 18\textsuperscript{th} century, this became a major military role—making territorial gains in the north-eastern (Harar) and southwestern

\textsuperscript{44} Pankhurst, \textit{The Ethiopians}, 117.  
\textsuperscript{46} Pankhurst, \textit{The Ethiopians}, 127.  
(Sidama) regions. Finally, this was also a religious role as the Oromo peoples were a conduit for Islam as Muslim merchants successfully converted the population along southern trade routes—as the Oromo peoples challenged the supremacy of their Christian neighbors.48

While the first-half of the Era of the Princes was a period of isolation (up until the 1810s), the second-half was a period of diplomatic transition as the Abyssinians once again found themselves in the shadow of larger geopolitical contests. During the late 18th century, Europeans experienced a renewed but limited interest in the Horn of Africa as a steady yet sparse flow of adventure seekers, scholars, and Protestant missionaries were determined to make contact with the Abyssinians.49 Meanwhile, Ottoman interest in the region remained primarily restricted to the continual caravan trade of gold, ivory, and Habesha slaves.50 However, by the 19th century, the Red Sea once again became a contested site of European, Ottoman, and reasserted Egyptian power. With Napoleon Bonaparte’s invasion of Egypt (1798-1801) and his attacks on British trade routes to India, both Ottoman and British empires became reinvested in the regional politics of the Red Sea. For the British, this meant securing its passage to India and thus the

50 Abir, Ethiopia: The Era of the Princes, 53–70.
eventual conquest of Aden in 1839. However, for the Ottomans it would mean a challenge of its North African supremacy by Muhammad Ali in Egypt.

During this period, the Abyssinian princes, with the prodding of European travelers and the desire to get an edge over regional rivals, began writing European leaders in hopes of receiving support against their political enemies. Through the support of an English traveler named Henry Salt, an emissary of Lord George Annesely, Ras Wolde Selassie of Tigray was the first recorded leader to do this. In April of 1810, he wrote King George III begging not so much for military support as the King’s assistance in facilitating the arrival of an abuna51 from Egypt.52 Other political leaders such as Ali II of Yejju, Wube Haile Maryam, and Sahle Dengel would soon follow suit—writing letters to several European (and sometimes Ottoman) leaders for diplomatic and military support (arms) against their internal rivals (other princes and the advances of the Oromo peoples).53 In regards to Egypt, the warring princes were initially more interested in mediating their relationship with Muhammad Ali, but soon this relationship would turn hostile. They began to fear the possibility of an Egyptian invasion as the ruler expanded his territorial reach into the gold mines of Sudan and other bordering Abyssinian towns—at act that

51 The securing of an abuna is a fundamentally political-religious request because it would grant the leader legitimacy over his rivals through control over the patriarch of the Orthodox Church.
52 Public Record Office FO 1/1 Fo. 73 Ras Walda Sellase to King George III, Late April 1810, “
elicited deterrence by Henry Salt, the former traveler and now the British Consul-General in Egypt, who warned Muhammed Ali not to act against “Christian Ethiopia” for he might face the wrath of the British empire.54

2.4 The Scramble for Africa

The mid-19th century saw the end of the Era of the Princes, but an increase in European involvement in the Horn of Africa as well as the rise of Egyptian influence in the region. In 1855, Tewodros II ascended as the first king of Christian Abyssinia in almost a century. Beset by internal rivals, the ruler was determined to create a modern Abyssinian army. Continuing the letter writing strategies of his predecessors (and contemporaries), the emperor sent several notorious letters to Queen Victoria, in which he demanded she send him modern armaments, specifically a cannon, tolerating her British foreign missionaries with the hope that they might influence her—or even help in the manufacturing of weapons locally.55 Along with the desire to subdue local rivals, Tewodros II’s aggressive push for arms was also partly driven by the fear of “Islamic local and Middle Eastern unity”.56 He imagined a religious-military alliance with Europe

54 Abir, Ethiopia: The Era of the Princes, 97–103; Also see Henry Salt, A Voyage to Abyssinia, and Travels into the Interior of That Country, : Executed under the Orders of the British Government, in the Years 1809 and 1810; in Which Are Included, an Account of the Portuguese Settlements on the East Coast of Africa, Visited in the Course of the Voyage; a Concise Narrative of Late Events in Arabia Felix; and Some Particulars Respecting the Aboriginal African Tribes, Extending from Mosambique to the Borders of Egypt; Together with Vocabularies of Their Respective Languages. : Illustrated with a Map of Abyssinia (Boston: Wells and Lilly, 1816).
56 Erlich, Ethiopia and the Middle East, 48.
against Egypt and the greater world (no doubt evoking Portuguese Christian alliance of the past), but would find himself disappointed as British, French, and German governments maintained a pro-Egyptian policy.\(^{57}\) It would be this, along with several unanswered letters, that would cause Tewodros II to turn on the British, imprisoning several of their missionaries and demanding that the Queen pay a ransom for their release—an act that led to a British invasion of Abyssinia and the subsequent suicide of Tewodros II forces in 1868, who was determined to die rather than be captured by British.\(^{58}\)

Following his death, subsequent Ethiopian Emperors Yohannes IV (1872-1889) and Menelik II (1889-1913) continued his policy\(^{59}\) of reaching out to European leaders for military assistance—each importing armaments into the country at a higher rate than the leader before them. First, Yohannes IV’s backing of the British in their dispute with Tewodros II earned him continued military support and a reward of “six mortars, 200 rounds of ammunition and six howitzers with 50 rounds of ammunition apiece, 725 muskets with bayonets, 130 rifles, 354,230 rounds of small arms ammunition, 28 barrels of gunpowder and 585,480 percussion caps, as many horses and mules and much superfluous baggage.”\(^{60}\) Embroiled in conflicts with the Egyptians and Ottomans in Sudan, Yohannes IV used this military support to wage a religious crusade against his


\(^{59}\) As they already were already in contact with Europe

Muslim neighbors, defeating them in the Battle of Gundet (1876) and the Battle of Gura (1876), seizing 20,000 Remingtons as well as 25 to 30 cannons in the process.⁶¹ Menelik II (or Menelik of Showa before his coronation) who spent 1865-1878 in conflict with Yohannes IV (and subversively afterwards), wrote letters to many different European leaders seeking alliances against the “Egyptians”⁶², emphasizing a shared Christian identity as the basis of shared military support. Particularly, he would appeal to European abolitionist efforts in the Arab world.⁶³ In a letter to Queen Victoria on November 9, 1878, the then Menelik of Showa wrote:

I have heard, moreover, that Your Majesty has forbidden the slave trade. Thank God, the prisoners taken during the latest expedition have been sent back to their families. Only the people of the coast of the Red Sea trade with them. They hide and steal the children on my frontiers and the Galla, and sell them to Egypt. The viceroy of Egypt orders his people not to trade with them, but these words come from his lips and not his heart. It is in order that, while listening to the words, you should believe and close your eyes. He and his pashas have their harems full of them. And for a civilized prince he is even more barbarous, by having all the children bought and brought [to him] and then emasculating them to guard his harems.⁶⁴

Along with demonizing his Egyptian and Ottoman rivals, Menelik of Showa also used flattery to gain the support of the Europeans, declaring in his letters that only Europe can bring “science and civilization” to Ethiopia.⁶⁵ In the same letter to Victoria, he states

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⁶¹ Pankhurst, 26–33.
⁶² Undoubtedly his mind was fixated on his internal rival Yohannes IV, but his requests focused on external conflicts.
⁶³ The Slavery Abolition Act (1833) abolished slavery in the British Empire. See next section for discussion on the role abolitionism played in Ethiopian politics.
⁶⁵ Rubenson, 290.
that “The Egyptian Government stops my way, wishes to prevent me from getting arms, tools, artists, etc. from Europe… I shall have to die before I am able to leave behind in my country anything of Europe’s abundant art.” However, it would be the French and Italian governments who would ultimately grant military support to the ruler, not in rivalry with the Egyptians or the Ottomans but the British backed Yohannes IV.

However, this *style of European-Ethiopian proxy alliances built on internal and regional rivalries* would soon come to an end with the commencement of outright European colonial aggression in the Horn of Africa. The beginning of the Scramble for Africa (1881), commencing with the British conquest of Egypt (1882), then British Somaliland (1884), French Somaliland (1885), the Berlin Conference (1884-85), and Italian colonial ambitions in the Horn of African, placing the Abyssinians in a precarious situation. During this period, Menelik of Showa aligned with the Italians who were in conflict with Yohannes IV as they attempted to create a colony in Eritrea. Count Pietro Antonelli acted as an intermediary between the ruler and Italian government establishing a Treaty of Friendship and Commerce (1883), in secret, allowing for the free movement of people and goods between territories. This alliance was further strengthened after the Italian loss against Yohannes IV and his general Ras Alula at the Battle of Dogali (1887), as soon after, Menelik of Showa and the Italians signed a second

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67 Pankhurst, 589–90.
Treaty of Friendship and Alliance (1887), also in secret, providing the ruler 5,000
Remington rifles with 200 cartridges for each rifle for each year for a period of 10 years
in exchange for neutrality if Italy went to war again with Yohannes IV. However, in
1889, the emperor would be killed fighting against the Sudanese Mahdists. In that same
year, Menelik II was crowned Emperor and signed the Treaty of Wuchale (1889) with
the Italians—a treaty that ultimately led to war, as it was a duplicitous attempt by the
Italians to make Ethiopia a protectorate country without the emperor’s knowledge,
becoming a source of major tension:

“deliberately mis-translating Article 17 of the Treaty from ‘may avail himself of...’ As ‘has consented to use...’ [the services of Italy to represent his interests],
illegitimately converting [the treaty] into a ‘protectorate’ provision and
informing the signatories of the 1885 Berlin Act that henceforth Ethiopia was an
Italian ‘protectorate,’ so that all communications to and from Ethiopia should be
conducted through Italy.”

This action was seen by Menelik II as violation of good will, a threat to his supremacy,
and the independence of Abyssinian at-large.

After over a decade of collecting armaments from British, French, and Italian
governments to fight amongst themselves, the Abyssinians were now uniting against a
common European enemy. In 1896 several regional powers came together to thwart
Italian colonial ambitions. Menelik II, Tekle Haymanot the King of Gojjam, Ras

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Makonnen the Governor of Harar, and Mengesha Yohannes, the son of Emperor Yohannes among others defeated the Italian forces at the Battle of Adwa on March 2, 1896. The victory has been hailed as a triumphant moment in both Ethiopian and African history, as the Ethiopian empire had effectively maintained its sovereignty against an encroaching colonial force. Afterwards, European observers estimated that there were anywhere from 300,000 to 600,000 modern rifles in the territory.\textsuperscript{70} One British traveler declared:

“Practically all the Abyssinians I met were armed with rifles which were being imported into the country by the thousand. Nor were they obsolete weapons...the Abyssinians are the best-armed Native race in Africa...They could not be easily be brought under subjection of any foreign Power.”\textsuperscript{71}

Over the past several decades, Abyssinian had become “a gun-owning society” as “‘nearly all’ the inhabitants of the [Ethiopian highlands] had ’modern breech-loaders and plenty of cartridges.”\textsuperscript{72} Still, despite this military victory, the Abyssinians remained in the shadow of European colonialism—a shift from the centuries spent surrounded by Muslim rulers. Thus, needing to skillfully (and quickly) navigate British, French, and Italian competition in the Nile Basin, Menelik II embarked into uncharted diplomatic territory as Abyssinian’s centuries-long strategy of Christian religious-political-military alliances was now an archaic tactic—useless in negotiating Abyssinian survival against the looming colonial threat of the 20\textsuperscript{th} century.

\begin{thebibliography}{9}
\bibitem{Pankhurst2003} Pankhurst, 603.
\end{thebibliography}
2.5 The Concessionary State

“If it were necessary to give the briefest possible definition of imperialism we should have to say that imperialism is the monopoly stage of capitalism. Such a definition would include what is most important, for, on the one hand, finance capital is the bank capital of a few very big monopolist banks, merged with the capital of the monopolist associations of industrialists; and, on the other hand, the division of the world is the transition from a colonial policy which has extended without hindrance to territories unseized by any capitalist power, to a colonial policy of monopolist possession of the territory of the world, which has been completely divided up.73"

The advent of colonialism on the continent marked a major turning point in Ethiopian diplomatic strategies as its Christianity was no more a point of negotiation. No longer surrounded by Islamic empire, the Abyssinians now found themselves in the shadow of rival European nations and unsure of the looming powers’ final intentions. Over the past decades the Ethiopians, while embroiled in their own internal conflicts, embraced European assistance in their own regional politics. Still the “question of the motives of the Europeans remained a basic problem for the Ethiopian rulers” who did not understand what the Europeans wanted but were duly “determin[ed] not to be cheated”.74 However, following the Battle of Adwa, the Abyssinian Emperor Menelik II soon realized that under monopoly capitalism (although he would most likely not know this term) the grounds of imperial negotiation were now economic, as the Europeans demanded concessions in banking, infrastructure, manufacturing, agriculture, and

mineral and oil extraction industries. Such realities ushered in a new style of diplomatic engagement—a politics of concession—or what I call concessionary politics.

I define concessionary politics as a diplomatic strategy that plays colonial rivals off each other through the politics of concession-giving, or providing economic monopolies in key industries, not only to ensure Abyssinian survival and independence in the face of colonialism, but to enhance the ruler’s power through revenue generated by the very concessions given. At center of Ethiopia’s modern state-formation, concessionary politics is a “collaborative” style of imperial-engagement unique to the Ethiopian situation, in which European powers collectively come to prefer “trade with an informal control” rather than “trade with rule.” Following the Battle of Adwa, the recently founded Addis Ababa experienced an influx of foreigners looking for concessions. Menelik II welcomed these individuals—English, French, Italians, Germans, Swiss, Swedes, Belgians, Hungarians, Russians, Greeks, Arabs, Egyptians,

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76 There are many theories on why Ethiopia was not colonized by European powers. Reasonings include the country’s military prowess, its highland advantage, and general European disinterest in the territory—the latter of which many scholars dispute (Rubenson 2003: 165). However, I argue that Ethiopia was able to resist colonialism post-Adwa due to its concessionary politics, which kept full-fledged imperialism at bay until Benito Mussolini’s invasion in 1935.
Indians, and Armenians—who came to occupy a position of authority in the eyes of the surrounding communities, many acting as advisors to the Emperor helping modernize parts of the city by setting up telegraphs, building schools, and constructing basic infrastructure.79 Concessions were granted at the imperial palace where Menelik appointed a spokesman for each community. In this system, British, French and Italian citizens had the greatest autonomy, while Menelik II attempted to enforce some jurisdiction over other groups such as the Armenians, Greeks, Indians, and Arabs. Through this system, Menelik II not only granted concessions, but exercised control over the movement of capital in and out of the territory, allowing him to finance his state-building project to the extent he did, while pitting these groups against each other in the process.80 For example, he enlisted the assistance of the Russians to acquire more weapons as well as military training under Officer Nikolay Leontiev.81 This made possible the emperor’s brutal consolidation of control in Ethiopia’s southern territories on the border of British-occupied Sudan and Kenya between 1896 to 1906—securing the boundaries of what is seen as modern Ethiopia today. Another Russian officer remarked on such developments in his diaries: “To help the enemy of our enemy, to make him as such stronger as possible—that is our main goal in Abyssinia.82”

81 This Russian assistance applies pre-Adwa as well.
The term “concession” is not new, but an emic archival category used casually by Ethiopian scholars to describe Menelik II’s engagement with European powers during this period. Most relevant, Barhu Zewde’s “Concessions and Concession-Hunters in Post-Adwa Ethiopia: The Case of Arnold Holtz” (1990) argues that following Ethiopia’s victory in the Battle of Adwa, Ethiopia found itself at the mercy of French, British, and Italian imperialists as these they competed for “commercial pre-eminence” in the territory. He states that this period marked a “turning point” in Ethiopia’s modern history in regards to its relationship with the outside world, as Emperor Menelik II gave up a number of concessions to expatriates and companies (British, French, German, Italian, US) in mining, agriculture, and commercial industries. Traditionalist Ethiopian leaders and local progressive intellectuals often lamented this concessionary politics, which they viewed as a threat to Ethiopia’s territorial sovereignty. Other locals exploited these relationships to their own end (e.g. German-Ethiopian Freight Transport Company). Zewde does an excellent job of describing this milieu of Ethiopian history, but stops short of theorizing concessionary politics as a central modality that fundamentally shaped the formation of the modern Ethiopian state through its

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83 “Concessionary Politics” is also a term used by environmental anthropologist Rebecca Hardin to discuss the management of natural resources in the Congo Basin. See Rebecca Hardin, “Concessionary Politics: Property, Patronage, and Political Rivalry in Central African Forest Management: With CA Comment by Serge Bahuchet,” *Current Anthropology* 52, no. S3 (April 1, 2011): S113–25, https://doi.org/10.1086/658168. However my research draws its definition of “concession” and “concessionary politics” from the work of Ethiopian Historian Barhu Zewde.
collaborative, yet contested engagement with the monopoly capitalism underlying colonial competition in Africa. To clarify, “concessions” were a central part of the formal Treaty making process following the Battle of Adwa as agreements like the definitive Tripartite Treaty of 1906 not only balanced the geo-political territorial contests of British, French, and Italian imperialism, but their concessionary disputes. For each of these powers, Abyssinia was central to consolidating their political and economic hegemony in the Horn of Africa. The French government wanted to gain control over the White Nile, while the British government wanted to deter French influence in the territory. Meanwhile, the Italians wanted to maintain their sphere of influence in the Horn. Those concerns would play out through fierce infighting over two of the most important Abyssinian concessions of that period — Addis Ababa-Djibouti Railway and the Abyssinian Bank. In this way, the rulers of Christian Abyssinia, who spent over a millennia defending their territorial autonomy in the shadow of an Islamic empire, were now defending their right to exist as an independent Ethiopian state in the shadow of European imperialism.

The most contentious issue in The Tripartite Treaty of 1906 was the question of the Addis Ababa-Djibouti Railway concession. Initially granted as a concession in March 9, 1984 to Alfred Ilg, an Engineer and Swiss Advisor to Emperor Menelik II, it authorized him to build and operate a railway from Addis Ababa to Harar to the Port of Djibouti in exchange for a substantial share in profits plus 50% of all profits if revenue exceeded
3,000,000 francs annually. However, post-Adwa and following French conquest of Djibouti, France would also be granted a share of this concession so they might permit construction into their territory but also co-finance the project. The British were upset by these developments because they feared French influence in Ethiopia might undermine their positions in Sudan and Egypt, while the Italians saw the railroad as a threat to their colonial claims in Eritrea. Viewing themselves as the “masters of the situation,” the British consulates in Ethiopia and Egypt did everything in their power to sabotage French railway plans. John Harrington, a British consul, “played on Ethiopian Emperor Menelik’s II fears of a French political takeover of his kingdom” to challenge the monopoly. In May 1904, Harrington even argued for the internationalization of the railroad, which the French vehemently opposed. Harrington was almost able to convince Menelik of this idea, almost leading to physical blows between him and his French counterpart. Meanwhile, Menelik II carefully played the situation, using the Germans, rather than the British, as leverage against the French. The Germans did not have any major colonial ambitions in Ethiopia, thus allowing the emperor to play them off the other nations without arousing violent jealousies. For example, when the French delayed their construction on the railway, the Emperor declared he would give the

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87 Keefer, 366.
88 Keefer, 371.
89 Keefer, 375.
concession to the Germans instead (rather than provoke the British who were in direct competition with the French in the Nile Basin, as such a declaration might lead to open hostilities). In the end, the *Tripartite Treaty of 1906* led to a geo-political stalemate among Britain, France, and Italy over the future of Ethiopia, as the powers recognized Abyssinia’s right to exist. Under Article 3 of the Treaty, all parties agreed to “observe a neutral attitude,” thus “abstaining from all intervention in the internal affairs of [Ethiopia]” and Article 4 explicitly states that they “shall make every effort to preserve the integrity of Ethiopia.” In regards to “concessions,” under Article 2 the powers agree to not pursue concessions “injurious to the interests” of the other two. With this provision, the French would remain in possession of the railway concession, ensuring the British that its railway would not be built near Lake Tana, thus quelling British fears that its rival might try to divert the Nile waters. Throughout this process, the Italians played a secondary role. They sought British favor during the negotiations in hopes of gaining railway concessions to the north and south of Ethiopia but without avail. Meanwhile, Menelik II, through his concessionary politics, secured the independence of the modern Ethiopian state until 1935.

Finally, it is important to note that concessionary politics were also exercised outside of the formal guidance of foreign consular representatives. For example, the

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81 There was a limitation to this independence. Although the Emperor controlled his domestic affairs, his foreign policy decisions were limited by the concerns of these three powers.
“concession-hunter” or “the adventurous foreigner,” were private citizens determined to strike it rich in Abyssinia and in the process connected Menelik II to foreign investors—often to the dismay of colonial officials but to the delight of the emperor. In his work, Zewde touches on the lives of some of Abyssinia’s most well-known “concession-hunters”. These included the Syrian Ydlidi (rubber, coffee, cotton, administrative control over Baro region), Alfred Ilg (railroad, Menelik’s advisor), and Alberto Prasso (platinum mining enterprise). However, the most lasting impact came from Arnold Holtz, a German citizen (and nuisance to the German state) who won Menelik II’s favor by bringing him a car in 1908 and promising to make Ethiopia a nation of roads and motor transport. Holtz believed Ethiopia would be the “Japan of Africa” and that Germany was destined to succeed in Abyssinian. In his lifetime, Holtz was not successful, with two failed mining companies among other mismanaged endeavors. However, his significance was that he would gain a brewery concession in 1914 that would be an ancestor to the now popular St. George Brewery. In the end, Europeans were unable to fully exploit “the country’s allegedly rich resources” as the “credulous investor was caught between the anvil of the wary Ethiopian authorities and the hammer of such sly concession hunters.” World War I ended the age of the concession hunters as most of

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93 Zewde, 382.
their endeavors failed except Holtz’s brewery and a French mining company, both persisting into the late 20th century.

2.6 World Wars: Europe and the League of Nations

The first half of the 20th century would bring with it two world wars and the six-year military occupation of Abyssinia under Fascist Italy as the Ethiopians once again found themselves threatened by the tumultuous affairs of Europe. With his impending death, Menelik II named his grandson Lij Iyasu (1911-1916) his successor in 1909. Although the young ruler was initially usurped by Menelik’s wife Empress Taytu, Iyasu seized power in 1911 and exiled Taytu and her daughter Zewditu.\(^4\) Continuing in the vein of his grandfather, his foreign policy was one of concessionary politics, but to a lesser degree as there was no imminent threat of invasion.\(^5\) However, following the outbreak of WWI, the young ruler made a series of political miscalculations that led to his early demise. Although the Abyssinians remained neutral in the conflict, it was rumored that Iyasu was planning to align himself with Germany and the Ottoman Empire against the Allies, to the dismay of his advisors, but such claims remain unconfirmed.\(^6\) This alliance was said to arise from his bitterness over the British, Italian,


\(^6\) Smidt, 104.
and French governments’ arms embargo on Ethiopia, but also from his close relationship with Ahmed Mazhar Bey, the Ottoman consul-general to the country. It was also rumored that Iyasu had privately converted to Islam due to his marriages to several Muslim women, which concerned the country’s religious patriarchs. With these issues at hand, it would not be long before the young leader found himself facing a coup d’état in 1916.

With the removal of Iyasu, Abyssinia found itself divided between two cooperating rulers amidst World War I—the now Empress Zewditu and prince Ras Tafari, who played a significant role in deposing the former ruler. While Abyssinia continued to remain neutral, the two leaders agreed to send their congratulations to the victorious Allies at its conclusion. During this period, Zewditu exercised her power in the traditional, clerical realm of Ethiopian politics as the energetic Ras Tafari continued in the vein of Menelik II—determined to modernize Ethiopia through the recruitment of engineers and scientists to serve as advisors in the country’s national development. However, Ras Tafari was ready to abandon the style of concessionary politics conceived under the pressures of the Triparte Treaty of 1906 and instead aimed for a diplomatic strategy mediated through the League of Nations, an idea met with resistance by other Ethiopian rulers: “They were in total conflict with Ras Tafari’s conclusion that national

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99 Marcus, 72.
survival depended on policies that extricated Ethiopia from the pull of the tripartite powers and opened it to the other nations of the globe.”

This conflict would lead to Ras Tafari eventually “purging officials hostile” to instituting reforms necessary for League membership. By August 1923, the leader submitted Ethiopia’s application for entry into the League and receive acceptance in that same year. Soon after Ras Tafari toured Europe, visiting Britain, France, Germany, Belgium, and Italy to solidify Abyssinia’s political claim as an independent nation through its legitimacy as a League member—in some cases with warm reception and other times lukewarm to cold, as in the case of the British. The emperor’s faith in the League of Nations would be tested by the Anglo-Italian agreement of 1925, in which Britain and Italy schemed to place Ethiopia within Italy’s sphere of influence—plans that were ultimately rebuffed by the League, which defended Ethiopia’s sovereignty as the British and Italian governments apologetically pulled their previous claims, maintaining that the Abyssinians had misunderstood their intentions. This end result justified the Emperor’s belief that League membership was the key to Ethiopia’s “survival” and in 1928, Ethiopia signed a Treaty of Friendship and Arbitration with Italy. Moreover, with the passing of Zewditu, the successful Ras Tafari was crowned Haile Selassie in November 1930 to much fanfare.

100 Marcus, 44.  
101 Marcus, 46.  
102 Marcus, 53–58.  
103 Marcus, 59–71.  
104 Marcus, 75–77.
and international publicity. Amid all of this the Italians, under Benito Mussolini and his General Emilio De Bono, quietly began discussing the outright invasion of Abyssinian, stealthily supporting subversive activities in the northern and eastern borders of the country in the meantime.\footnote{Pankhurst, \textit{The Ethiopians}, 220–22; Emilio de Bono, \textit{Anno X\textsc{ii}i; the Conquest of an Empire} (London: The Cresset Press, 1937), 5–6.}

Although Haile Selassie’s faith in the League assisted him in his earlier conflict with Britain and Italy, the international organization was unable to halt Italian invasion. The first Italian assault on Ethiopia was in November 1934 at Walwal, a town bordering Italian Somaliland.\footnote{Marcus, \textit{Haile Sellassie I}, 144–47.} Initially, the emperor remained resolute in this determination to find a peaceful resolution through the League, which reprimand the Italians, but to little effect.\footnote{Marcus, 150.} The League would go through eleven months of discussion, hoping to find a peaceful resolution between the parties before the Italians decide to act against the will of the international body with an outright invasion in October 2, 1935. The League responded half-heartedly a few days later by imposing weak sanctions on Italy, while the Abyssinians found themselves fighting a two-front war against on their south-eastern (led by Rodolfo Graziani) and northern (led by Pietro Badoglio) borders with the majority of the fighting taking place in the north. Determined to prevent the outbreak of another European war, the League remained paralyzed in addressing the Abyssinian
situation.\textsuperscript{108} Still, Haile Selassie remained committed to the institution, telling one reporter:

“Abysinia is a member of the League of Nations and signed the Kellogg Pact, so she feels in duty bound to make every effort to reach conciliation before resorting to weapons. Should a foreign power attack the country while these negotiations are in progress, then we should naturally oppose it!... We welcome everyone’s assistance, but we will never surrender our political economic freedom.\textsuperscript{109}”

Meanwhile in December 1935, the Hoare–Laval Pact was leaked by the press to the dismay of the British and French public.\textsuperscript{110} Orchestrated by British Foreign Minister Sir Samuel Hoare and French Prime Minister Pierre Laval, the secret agreement granted Italy two-thirds of Abyssinia through territorial cession and monopolies, while Abyssinia retained the right to access a seaport but was forbidden from building a railroad to that very seaport. More than the public uproar, distaste for the agreement among many conservative MPs in the House of Commons led to Hoare’s resignation shortly after the revelation and Chamberlain’s denouncement of the Pact soon after.\textsuperscript{111}

Faced with the realities at hand, Haile Selassie began a late, ill-prepared process of militarization as his army was young and inexperienced, but also with limited ammunition, outdated artillery, and a barely existent air force due to previous arms


\textsuperscript{111} Waley, 68.
embargos. Secretly Ethiopia would find itself aided by Adolf Hitler who supplied them with “three airplanes, sixty cannons, 10,000 Mauser rifles, and 10 million cartridges.”

Nevertheless, in May 1936, the Abyssinians found themselves overwhelmed and conquered by Italian forces. In the aftermath, Italy unsuccessfully attempted to expel Ethiopia from the League of Nations. It did, however, receive recognition for its occupation from several European countries seeking to appease the nation, while the United States, the Soviet Union, Mexico, New Zealand, and China refused to recognize the Italian conquest. In Ethiopia, the occupation was particularly cruel and was met with much resistance. Along with the use of mustard gas, there was also the “systematic bombing of British, Swedish, Egyptian and other International Red Cross Hospitals and Ambulances in Ethiopia.” Granted exile in Britain, Haile Selassie, in a letter to the General Secretary of the League of Nations, outlined Italy’s violations of what he calls the “Covenant of the League of Nations” condemning Italy’s blatant disregard for the Hague Treaty of 1907 on the Conventions of Warfare, describing the killing of men, women, and religious clerics indiscriminately as well as the burning of churches and the

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112 Farago, Abyssinia on the Eve, 137–41.
113 Pankhurst, The Ethiopians, 226.
prostitution of Ethiopian women without avail.116 The Italians would eventually offer a settlement deal, including an amount of 1,000,000 pounds to the emperor along with a portion of the country but Halie Selassie refused, stating that he sought “justice” for Ethiopia and not to “sell it”.117

In May 1941, exactly six-years after its initial conquest, Abyssinia, with the aid of British forces and the outbreak of World War II, was finally liberated from its Italian aggressors.118 Unfortunately, the aftermath of occupation was devastating for the Ethiopians with 750,000 people killed, 500,000 houses and properties burned, 2,000 churches plundered or destroyed, 14 million cattle killed and 3/4 of the educated class killed.119 To add insult to injury, the British then stripped both Ethiopia and Eritrea of Italy’s built assets including factories, moving them to their own colonies elsewhere as the emperor suddenly found himself under the influence of British military post-liberation.120 With the end of WWII, the League would cease operations in favor of the United Nations, and Haile Selassie, who once so fervently believed in the “honorable” diplomacy of the international body, would now make a fundamental shift in his foreign policy strategies with the advent of the Cold War.

117 Haile Selassie I, 2nd ed.:44.
2.7 Cold War: America and the Soviet Union

Following WWII, Ethiopia found itself under informal British military occupation as the country mediated all Ethiopia’s communication with the outside world (e.g. airline transport, exchange rates, import and export economies, etc.).\textsuperscript{121} In fear of a possible British conquest, Haile Selassie quietly capitulated to the imperial nation’s demands, while covertly seeking a diplomatic solution elsewhere.\textsuperscript{122} The British were determined to seize part of the Ethiopian Ogaden and combine it with Italian Somaliland to establish a Greater Somaliland, to the dismay of the emperor who was determined not only to retain the Ogaden, but to annex Eritrea, which too was under British occupation. Fortunately for Haile Selassie, the aftermath of WWII led to the steady decline of British and European prestige on the world stage and the rise of the United States and Soviet Union in its place—the latter of which did not want to give the British an opportunity to build a naval base at the “mouth” of the Red Sea.\textsuperscript{123}

Meanwhile, Haile Selassie was looking to counter British power with the US, granting the American Sinclair Oil Company an oil exploration concession in its Ogaden region—the same region the British were so adamant in retaining—, causing the British to respond by aggressively blocking the company from drilling, as Haile Selassie slowly

\textsuperscript{122} Spencer, 12–13.
\textsuperscript{123} Spencer, 17.
began to align himself with US interests.\textsuperscript{124} The negotiations over the future of the Ogaden were contentious and dragged on for a few years but finally ended in July 1948 with Italy retaining the right to its former Somaliland possession and Britain removing itself from Ethiopian Ogaden, allowing the Sinclair oil exploration to continue; however, these events were mostly due to the US and Soviet Union governments desire to influence the outcome of the Italian elections\textsuperscript{125} and Britain’s unwillingness to engage in a public debate on the issue rather than the oil concession itself.\textsuperscript{126} The topic of Eritrea, which I cannot do justice here, was far more complex.\textsuperscript{127} The UN General Assembly created a task force in 1949, but with US support, Ethiopia was granted federal control over Eritrea in a December 1950 Resolution. However, this support came with a stipulation, in the words of John H. Spencer, American citizen and former advisor to Haile Selassie:

“The United States had indicated to the Ethiopian government, in advance of the December 1950 Resolution, that once Ethiopia re-assumed sovereignty over Eritrea, the United States would want to conclude an agreement by which the U.S. personnel would take over the large communications center outside of Asmara.\textsuperscript{128}”

Spencer was referring to Kagnew Station, a communication center that would become central to US Cold War efforts and the bedrock of an Ethiopia-American political-military

\textsuperscript{124} Spencer, 16.
\textsuperscript{125} Fostering pro-American or pro-Soviet sentiment through the return of the colonial possession.
\textsuperscript{126} Spencer, Ethiopia, the Horn of Africa, and U.S. Policy, 18–19.
\textsuperscript{127} For discussion of this conflict see Tekeste Negash, Tekaste Negash, and Kjetil Tronvoll, Brothers at War: Making Sense of the Eritrean-Ethiopian War, 1st (Oxford : Athens: Ohio University Press, 2001); Wrong, I Didn’t Do It for You; Eyassu Gayim, The Eritrean Question: The Conflict Between the Right of Self-Determination and the Interests of States (Uppasala: Iustus Forlag AB, 1993).
\textsuperscript{128} Spencer, Ethiopia, the Horn of Africa, and U.S. Policy, 22.
alliance in the years to come as the ideological fight between capitalism and socialism came to define the global world order.\textsuperscript{129}

During the Cold War, Ethiopia became a country of geo-political significance to the United States.\textsuperscript{130} Under the Truman Doctrine of 1947, the US sought to counter and contain the spread of Soviet influence, providing aid to countries resisting communism. Ethiopia was one of the biggest beneficiaries of this policy, as from 1950 to 1973, 82\% of US assistance to Africa was granted to Ethiopia.\textsuperscript{131} Initially lukewarm in their response, Ethiopia soon gained the favor of the Americans due to military backing of the Korean war and its cooperation in regards to the future of Kagnew station.\textsuperscript{132} Determined to strengthen his partnership with the US, Haile Selassie visited in 1954 and even refused a $100 million assistance package from the Soviet Union in his pursuit of a strong US alliance.\textsuperscript{133} The US government duly embraced the leader, viewing him as an elder African statesman and a key ally in their containment policy as anti-colonial struggles were overtaking the continent.\textsuperscript{134} The US government aimed to strengthen Ethiopia’s army so the emperor could resist internal and external aggressors, while playing a

\textsuperscript{129} Note that it was not an economic concession that the Americans primarily wanted, but military access as this was the basis of its relationship with Ethiopia.


\textsuperscript{131} Agyeman-Duah, The United States and Ethiopia, 48–49.

\textsuperscript{132} Agyeman-Duah, 15–16.

\textsuperscript{133} Agyeman-Duah, 150.

\textsuperscript{134} Agyeman-Duah, 25–26.
“surrogate role” in regional politics by providing a check to Egypt’s Gamal Abdel Nasser and the Soviet Union.\(^\text{135}\) Haile Selassie, who once found himself ill-prepared for an Italian invasion, embraced this support as the US government built-up the country’s military infrastructure.\(^\text{136}\) In time, the relationship between the US and Ethiopia would become so deeply intertwined that it bordered on diplomatic co-dependency: “Thus, over time, the origins of the relationship became like the “chicken and egg” controversy. Stimulus and response, and cause and effect were confused within the field of the program action.”\(^\text{137}\) Despite this, Haile Selassie’s political-military alliance with the United States must be understood within his stated politics of non-alignment. This alliance existed within a network of smaller alliances with other countries providing military, political, and economic assistance such as Norway, Britain, France, and Israel in the development of a naval force.\(^\text{138}\) These alliances were made on “tactical ground[s]” as Haile Selassie “deliberately wanted to diversify sources of assistance for his armed forces and create multiple dependencies so as to deny any military officer the opportunity to build a base for power and influence.”\(^\text{139}\) Thus, the emperor’s understanding of nonalignment was practical, as alliances were determined by the “worth of the policies” rather than the “source of sponsor” as he would later receive

\(^{136}\) Agyeman-Duah, 70–74, 117.  
\(^{137}\) Agyeman-Duah, 31.  
\(^{138}\) Agyeman-Duah, 65–66.  
\(^{139}\) Agyeman-Duah, 66.
economic (non-military) assistance from the Soviet Union and pursue a neutral UN voting record.\textsuperscript{140}

However, Haile Selassie’s relationship with the United States would come to an end with the Ethiopian Revolution in February 1974. Leading up to this, the emperor found himself plagued with numerous issues including a previous \textit{coup d’état} attempt in 1960; rebellions in Eritrea, Bale, and the Ogaden; student movement protests in urban centers; the Wollo famine; Crown Prince Asfa Wossen suffering a stroke; the rise of petroleum prices; and the discontent of unpaid military personnel. With these issues, the Derg (the Provisional Military Government of Socialist Ethiopia) seized power using the Armed Forces Coordinating Committee (AFCC)—the very military infrastructure put in place by the US to defend Haile Selassie’s government. Within its first year, the Derg declared \textit{“Ityopia Tikdem”} (Ethiopia First), arresting landowners and high-level civil servants, revising the Ethiopian Constitution, and declaring an \textquoteleft{}Ethiopian Socialism,\textquoteright{} nationalizing both land and industries as well as organizing youth into \textit{zemecha} (campaign) programs to proletarianize the rural peasantry. Initially, a few Derg leaders such as General Aman Andom were determined to maintain Ethiopia’s political-military alliance with the US, but this position was challenged by the more radical factions of the committee\textsuperscript{141}, which disagreed on this issue among others including the most

\textsuperscript{140} Agyeman-Duah, 115–25.
\textsuperscript{141} General Aman was assassinated in 1975, as was his successor Tafari Benti in 1977, by Mengistu Haile Mariam who assumed power in 1977 and remained so until the end of the Cold War.
contentious outbreak of war in Eritrea.\textsuperscript{142} Amid this fiasco, US government officials were slow to react, even continuing to deliver military support to the Derg in its early years despite facing growing anti-US propaganda in Ethiopia, specifically gifting bombers ordered by Haile Selassie several years earlier, but with the promise that the weapons would not be used in an Eritrean conflict.\textsuperscript{143} However, this would all change as the Soviet Union made their bid to support territory and Ethiopia lost strategic importance to the US in the Cold War fight.

With its ascension to power, the Derg government slowly came to replace a US political-military alliance with a Soviet one. Initially, Soviet support to the Derg government was limited to propaganda and diplomatic assistance in avoiding direct conflict with the US.\textsuperscript{144} However, the US was losing in interest in Ethiopia as the once essential Kagnew station was replaced by a more strategic and cheaper communications satellite station on Diego Garcia, an island located in the Indian Ocean.\textsuperscript{145} With waning American interest, the Soviets struck a $200 million arms deal with the Ethiopians in December 1976.\textsuperscript{146} Despite this, the Soviets (and their Cuban allies) remained unsure about the Derg, especially Mengistu Hailemariam who assumed leadership in 1977, waiting to see if a true vanguard party emerged from other competing factions with

\textsuperscript{142} Agyeman-Duah, 137–38.
\textsuperscript{143} Henze, \textit{Layers of Time}, 289.
\textsuperscript{144} Henze, 286.
\textsuperscript{145} Agyeman-Duah, \textit{The United States and Ethiopia}, 150.
\textsuperscript{146} Agyeman-Duah, 151.
Marxist-Leninist roots such as the Eritrean Popular Liberation Front (EPLF), Tigray People’s Liberation Front (TPLF), Ethiopian People’s Revolutionary Party (EPRP), and MESION.\textsuperscript{147} Nevertheless, the Soviets continued to generously fund the Derg government providing over $1 billion total in military aid, supporting Mengistu’s wars\textsuperscript{148} in Eritrea and Somalia while also providing economic assistance through an advisory committee.\textsuperscript{149} However, with the fall of the Berlin Wall and the eventual dissolution of the Soviet Union, the Derg lost its hold on power, turning to the Israelis for a short-lived alliance before being overtaken by TPLF fighters and their allies as the Cold War and the age of political-military alliances in Ethiopia (as the state’s dominate diplomatic strategy) came to an end.

\textbf{2.8 Conclusion: The Present Neo-Concessionary State}

With the end of the Cold War and fall of the Derg government, a transitional government found itself facing the challenges of global capitalism.\textsuperscript{150} During the 1990s, the policymakers of the International Monetary Fund (IMF) and the World Bank determined that UK and US models of economic neoliberalism were the solution to

\textsuperscript{147} Henze, \textit{Layers of Time}, 294.
\textsuperscript{148} For more on the wars and conflicts of this period see Gebru Tareke, \textit{The Ethiopian Revolution: War in the Horn of Africa}, Reprint (New Haven: Yale University Press, 2013).
\textsuperscript{149} Henze, \textit{Layers of Time}, 311–12.
\textsuperscript{150} There are many domestic (ethnic federalism) and regional (conflict with Eritrea) issues that have shaped formation of the Ethiopian state during the late 20\textsuperscript{th} and early 21\textsuperscript{st} centuries, but my focus in this section is how the state is also formed in relation to capital.
economic growth in the developing world, hence the Washington Consensus.\textsuperscript{151} For them, neoliberalism promotes economic growth through “liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade.”\textsuperscript{152} These policymakers urged the ruling elite of “developing countries” to adopt a model of the neoliberal state that champions the tenets of privatization, deregulation, and liberalization, keeping state market interventions to a minimum and allowing the private sector to dictate the terms of national development. The new Ethiopian government would soon find itself in conflict with these international bodies over such neoliberal prescriptions—resisting the demands of the structural adjustment programs (SAPs) that threatened its economic autonomy and thus national independence.\textsuperscript{153}

In the 2000s, the Ethiopian ruling party, or the Ethiopia People’s Revolutionary Democratic Front (EPRDF), sought displace the neoliberalism of the IMF and World Bank with its own developmentalist agenda. In his “States and Markets: Neoliberal Limitations and the Case for a Developmental State,” the now late Prime Minister (PM) Meles Zenawi argued that “the neoliberal paradigm is a dead end incapable of bringing

\textsuperscript{151} David Harvey, \textit{A Brief History of Neoliberalism} (Oxford: Oxford University Press, 2007), 93.
\textsuperscript{152} Harvey, 2.
about the African renaissance.” 154 One of his principle issues was the idea of the “nightwatchman state” which cedes control over its national development to the private sector. Meles argues that the theoretical framework underlying this neoliberal model rests on the “logical absurdities” of rational theory, which insists that the core of all human activity is the maximization of self-interest. 155 He rejects this underlying assumption and instead poses a sociobiological explanation, declaring:

“Maximizing survival potential which has been a valid biological explanatory variable for living things other than human beings, applies to human behavior when combined with the social nature of human beings...The fact that human beings are social animals means that the survival potential of human beings as individuals and groups is maximized within the context of the appropriate social environment.” 156

Meles extends his sociobiological rational to the state, advocating for a developmental state with its primary motivation being to “accelerate growth” and thus “maintain [the state’s] legitimacy” by “rewarding growth-enhancing activities and restricting and penalizing socially wasteful activities.” 157 He states that the developmental state can be understood in two parts, first at its ideological level as “a hegemonic project in the Gramscian sense” as “key actors voluntarily adhere to its objectives and principles” while second at a structural level as “it has the capacity to implement policy effectively, which is the result of various political, institutional, and technical factors, which in turn

155 Zenawi, 147.
156 Zenawi, 144.
157 Zenawi, 169.
are based on the autonomy of the state.”¹⁵⁸ In other words, for the Ethiopian state, this hegemonic ideology is the ruling party’s developmental agenda, which organizes its state institutions to meet the goals of its vanguard leaders. Championing the “autonomy” of the developmental, or what he calls “activist” state over that of the nightwatchman state, Meles declares that “activist” states are able to apply their own policy decisions and exercise control over their own economies, directing the private sector rather than being directed by it.¹⁵⁹

I disagree with Meles’ theory that the developmentalist state is driven by sociobiological need to “develop” in order to justify its “legitimacy” but I would instead argue that the Ethiopian state’s need to “develop” is in fact a part of the social reproduction of its ethnic-based democracy as it fortifies not only its structural but ideological control over the territory. With the defeat of the Derg, the Tigray People’s Liberation Front (TPLF), thereafter incorporated into EPRDF, assumed control over the Ethiopian state. Over the years, the party has instituted an ideological agenda of “revolutionary democracy” that is “not a liberal parliamentary democracy” but rather a democracy that is “centralist and vanguardist” in nature.¹⁶⁰ This “experimental” democracy derives its legitimacy not from the individual, but from ethnic identity, as

¹⁵⁸ Zenawi, 167.
¹⁵⁹ Zenawi, 168.
today the country is divided into nine ethnic regions—Afar, Amhara, Benishangul-Gumuz, Gambela, Harar, Oromia, Somali, Southern Nations, Nationalities, and Peoples, and Tigray regions. The basis of this “ethnic democracy” was conceived during the student movements in the 1960s and 1970s, in which the question of nations and nationalities was seen as the fundamental issue plaguing a highly centralized Ethiopian society, bourgeoning with the Marxist-Leninist guerrilla movements of TPLF, EPLF, and others during the 1970s and 1980s. The developmentalist agenda of EPRDF today is implemented “as a party co-opted venture” interested in development in so far as it cements the vanguard party’s ethnic-based ideology, which is the source of its power and control.161

However, as the following chapters will explore, the developmentalist politics of the Ethiopian state must also be understood as a neo-concessionary strategy (see chapter seven for full discussion).162 Meaning, during the colonial period, Menelik II adopted a strategy of concessionary politics to respond to the threat of imperialism, which demanded that Ethiopia open its doors to monopoly capitalism. Today, the Ethiopian state responds to the demands of global capitalism, which like the imperialism of the

161 Abbink, 602.
162 I would like to mention that during 21st century Ethiopia also has political-military alliances with the United States and its NATO allies on the War on Terror and mediates its relationship with the international donor community through its internationally decried 2009 Charities and Societies Proclamation, which places restrictions on the activities of transnational NGOs within the country (again regulating foreign activity). But neo-concessionary politics is the most prevalent mode of diplomatic engagement driven by the developmentalist logic of the state formed in response to the most imminent (and least contained) external threat to Ethiopian sovereignty, which is not terrorism or charities, but global capitalism.
past, demands that the country opens its doors to foreign capital. However, instead of offering “concessions” or company charters in various industries as Menelik II did—not only to control monopoly capital, but also to extract revenue from it—, EPRDF exercises a neo-concessionary politics that plays out through its privatization program as the Ethiopian state selectively privatizes certain industries as part of a larger developmentalist agenda set on wielding control over and consolidating power through revenue generated from global capital. In regards to control, the government only privatizes industries to the extent to which it can remain in control\footnote{Hence, the state avoids monopolies as in the case of brewery privatizations.} of its national economy. If the government privatizes an industry, like beer and alcohol, it does so to facilitate the value creation through the formation of forward and backward linkages in sector-related activities (Chapter 2, 4, 5, and 6), while gaining a source of revenue through auction bid price, taxation, and hard currency export earnings, which in return are funneled back into the state’s industrialization agenda (Chapter 7). In this way, the developmentalist politics of EPRDF are a manifestation of a neo-concessionary style of governance as the state manages its survival and independence in the shadow of global capital today. In the following chapters, I explore how such politics play out through the ways corporate capitalism becomes manifest once permitted entry into Ethiopia, but also how its potential is harnessed to meet the state’s industrialization agenda at the moments when the interests of state and capital coalesce and/or collide.

Multinational beer companies—Castel (BGI), Heineken, Diageo, Bavaria, and Unibra—have set-up corporate offices, breweries, and distribution centers in and on the outskirts of Addis Ababa, Ethiopia. They have erected billboard advertisements for St. George, Walia, Zebidar, Heineken, Meta and Dashen beers along the city’s ever-growing skyline. Plastered on the sides of high-rise hotels and unfinished construction sites next to a series of embassies, federal ministries, national banks, and malls selling foreign imports (everything from Samsung electronics to Nivea lotion), these billboards embellish the affluent commercial neighborhoods of Bole, Wollo Sefer, Haya Hulet, Capital Hotel, and Megenagna. Along the roundabouts, past Arat, Amist, and Sidist Kilo, billboards flank historical monuments such as the Yekatit 12 memorial obelisk, commemorating those massacred during Ethiopian-Italian war, and a statue honoring Karl Marx across the street from Addis Ababa University’s main campus. A Buckler beer advertisement is plastered along the stairway to the city’s light rail, while the Old Stadium across the way is adorned in St. George and Walia advertisements. Meta billboards tower over the area surrounding Addis Mercato (the largest outdoor market in Africa).
Figure 2: St. George and Dashen billboards near Bole International Airport

A number of repurposed Harar, St. George, Meta, and Bedele beer outdoor umbrella stands are scattered along the churches, commercial buildings, stadiums, monuments, and markets. They mark the presence of the listiro (shoeshine boy), mobile card sellers, and tailors positioned in front of rubble in newly demolished neighborhoods, traditional and modern clothing boutiques, vendors selling papayas,
bananas, mangos, avocados, garlic neatly piled in a stand alongside roads, car rental lots, boutique restaurants, bakeries, and coffee shops, including local chains such as Kaldi’s Coffee, Bilo’s Pastry, and Chicken Hut.

Castel, St. George, Walia, Heineken, Habesha, Meta, Dashen and occasionally Raya distribution trucks weave through a sea of Toyota sedans—grey, blue, green, gold, and silver—, blue-white taxis and minibuses, scattered Lifan and Etta car services, government marked Land Cruisers and aid vans, red-yellow Anbesa buses, a force of Chinese Sinotruks affectionally known as Qey Shibir (in reference to the Ethiopian Red Terror), Isuzu commercial vehicles, and the occasional motorbike, stopping for herds of goats and sheep as they drive through the city. Until the rains, the smell of car exhaust smoke, gasoline, and dust pollute the air, cars honking and lights flashing in the evening. All day and night car radios play jingles from popular beer advertisements.
Figure 3: Bedele Beer promotional umbrella reused by street vendor

These distribution trucks deliver crates of beer to the bars, restaurants, groceries, and hotels of Addis Ababa, while company sales representatives provide them with an endless supply of promotional products (a form of corporate swag). Most visibly, the beer sign boards adorn hundreds of retail-outlet entrances. They color the historic neighborhoods of Addis Abba— the beer gardens of the Kazanchis; the cafes, dance halls, and hotels of Piazza; and iconic spots, like the old Lion Bar in the National Theater neighborhood. Towards Jan Meda, sign boards signal the neighborhood’s bustling butcheries; local restaurants located within recently constructed condominium housing in Gotera; and seedy bars and night clubs in Chechnya with beer caps scattered along the concrete sidewalks in front of them. Sign boards are hung on top of the thriving
restaurants in the neighborhoods of Mexico, Old Airport, Lideta, Meskel Flower, Sar Bet, and Saris. They are scattered along bars, hotels, and groceries in the outer boroughs of Akaki Kality, Kebena, Wossen CMC, past the German adebabay (roundabout) to Hana Mariam towards Sebeta, past the Jack Ross adebabay towards Kotebe, up the hill towards Entoto, and along the kelebet menged (ring road), the primary highway which wraps around the city.

Drinkers congregate to buy beer within maznañat bètoch (relaxation houses) or a cheap government-subsided restaurants kitschily decorated wall-to-wall by beer companies with posters, frames, stickers, furniture, and even murals by clashing breweries. Siga bètoch (sit-in butcheries) are packed with rowdy men drinking and chowing down on raw meat for breakfast as the bartender pours beer from a row of Meta, Dashen, St. George, and Walia draft machines. Spacious beer gardens distinguished by an assortment of beer-sponsored outdoor furniture— St. George umbrellas, Walia beer cork-shaped chairs, faded red Meta beer table mats, evergreen Dashen beer serving plates, and black-gold Habesha beer T-shirts for servers. The poor, dim, dingy restaurants that can barely house fifteen people at a time, only illuminated by the light of Harar and Bedele fridges. The groceries owned by older Habesha men and women who fancy painting their concrete walls a mixture of hot pink, green-blue, yellow, and lavender and blast mezmur (religious music) on their brewery-owned speaker systems. The shanty bars held up by a careful patchwork of concrete, plaster, tin
scrapes, wooden stilts, and an ever so available orange-blue tarp, showcasing their
collection of Habseha, St. George, Walia, and Dashen brand drinking glasses. Fancy mall
bars and hotels where tourists, businessmen, expatriates, diaspora, and the local upper-
class go out to drink, hold exclusive events inviting musicians and comedians to
perform. Drinkers also organize outside of outlets as beer companies sponsor events
across the city — everything from large holiday bazaars and concerts to family funerals,
christenings, and weddings.

Figure 4: A bar in Addis Ababa decorated with sign boards from Heineken
(Walia and Harar beer) and Dashen breweries as well as St. George brewery
umbrellas

In the capital city of Addis Ababa, beer is everywhere.

3.1 Chapter Argument

This chapter examines how multinational alcohol companies have come to
transform retail-outlet business and alcohol consumption practices in Addis Ababa,
Ethiopia. In *African Business Magazine*, an article entitled “Ethiopia: The Battle of the Brewers,” chronicles intense competition among several multinational brewing companies in Ethiopia as each vies for control over the nation’s beer market.1 This article, and others like it, discuss competition among breweries through the abstract language of market openness and share, consumer demand and choice, profit and loss, and product availability and variety. However, what publications tend to ignore is how beer companies are engaged in an all-out trademarking and marketing war. This war is evident in the saturation of the sensorial topography2 of Addis Ababa with the flows of beer as well as the proliferation of promotional products, endless sponsored events, and brand advertising—print, radio, television, etc.—that are as overwhelming as they are inescapable.

I argue that the “Battle of the Breweries” is fought as much on grounds of reciprocity as it is on grounds of beer commodity sales, as entangled forms of commodity exchange—the buying and selling of beer—and gift exchange3—the circulation of promotional products, sponsorship events, and advertisement branding—


are the creative process by which beer markets are continuously being made and remade in Addis Ababa. Specifically, I show how the beer industry forges reciprocal relationships through gift exchange with retail-outlets (“promotional gifts”) and consumers (what I call the “gift of modernity” via branding of the beer), as this is central to the social reproduction of beer markets. Thus, the activities surrounding the buying and selling of beer are dynamic, going beyond transactionalism, as markets are co-produced through multi-scale processes of exchange among companies, retail-outlets, and consumers. Such shifting reciprocal exchanges among companies, retail-outlets, and consumers materially, socially, and imaginatively facilitates the supplanting of indigenous alcohols as multinational alcohol companies embed themselves into local markets and assimilate drinking preferences towards commercial lagers. Further, through the industry’s aggressive investment in reciprocal relations, forward linkages in food service, entertainment, and advertising sectors are spurred.

Following a brief introduction on the restructuring of beer distribution networks necessary for multinational market penetration, the chapter section, Modalities of Exchange: The Commodity and Gift in the Beer Industry, situates my ethnography within relevant anthropological literature on markets (substantivism versus formalism debates and onward) and exchange (commodity versus gift). Building upon this literature, I further anthropological arguments about the nature of markets and exchange, discounting the following: the notion that commodity and gift exchange exist on an
evolutionary scale with the former succeeding the latter, the myth of impersonal commodity exchange, the gift as merely an object of circulation rather than generative of circulation, and the binary representation of commodity value versus spheres of exchange.

*The Retail-Outlet: The Circulation of Promotional Gifts* examines encounters between beer companies (sales and trademarking departments) and retail-outlets (bars, restaurants, groceries, and hotels) in the marketplace. It focuses on the exchange of promotional products or what I call “promotional gifts”. A form of reciprocal market exchange, the promotional gift facilitates the buying and selling of beer by mediating relationships between beer companies and retail-outlets through its circulation. Promotional gifts can take the form of things such as fridges, draft machines, sign boards, drinking glasses, aprons, chairs, tables, umbrellas, or even free beer, as well as, events and exclusivity agreements. They establish bonds of reciprocity between company and retail-outlet, activate the circulation of capital (beer sales), engender an environment of intense rivalry in the market, and blur the lines between spheres of value and those of exchange.

In the next section, *The Consumer 1: Landscapes of Drinking* explores how multinational companies are not just selling beer, but are actively creating spaces for drinking, both social, affective, and imaginative, to target consumers. By examining sponsored events such as concerts, bazaars, and lotteries, I analyze how beer companies
forge performative, connective, consumerist, and aspirational spaces for drinking in order to market the circulation of what I call, the “gift of modernity.”

In the last section, *The Consumer II: The Gift of Modernity* analyzes the gift, which is the exchange of modernity through branding practices to signal an Ethiopian futurity. Analyzing four advertising campaigns, I show that the gift of modernity is multiple, contested, and endemic in its branding by companies. I also detail how beer’s association with modernity negatively affects how society conceives of indigenous alcohols such ṭella, araqe, and ṭej which have decreased in consumption in the face of mass commercial beer availability. The discussion ends with an exploration of how drunkenness comes to signal backwardness, in the case of traditional alcohols, and an undesirable modernity, in the case of some bottled beers and liquors.

**3.2 Setting the Stage: Transforming Distribution Networks in Ethiopia**

![Image](image.jpg)

*Figure 5: Habesha beer distribution truck*
During the 1990s and early 2000s, the majority of people in Ethiopia drank indigenous alcohols. Beer distribution was limited and regional: St. George and Meta Beer in the central region, Bedele in western and southern regions, Harar in the eastern regions, and later Dashen beer, founded during the early 2000s in Gondor, servicing northern regions. With the privatization of state-owned breweries, beginning with St. George, in 1998, Bedele, Harar, and Meta, in 2011 and 2012, as well as the acquisition of Dashen shares by the English investment Duet group, and the foundation of the Raya, Habesha, and Zebidar breweries, cheap commercial lagers became readily available throughout the country. However, in order for this process to occur, the newly formed beer companies needed to discipline and expand former distribution networks. This often led to them being destroyed and restructured to fit the needs of capital. A company representative describes the initial process:

When we came to Ethiopia there were distributors with experience, but the experiences they had were delivery-focused because there was no competition. At first, we took the experienced ones but it did not work so what we did was handpick young people who were interested in working with us. In the classic way, we did not ask if they had a truck, a store, and experience. We just wanted interested youth who were popular in their areas to work with us. We gave loans to 90-95% of them to buy trucks. We gave them attention so they could work hard to be a successful distribution agent. We also wanted them to focus only on the beer. We were not looking for rich people who had diverse businesses. We were looking for young people who wanted to be rich. This was about 15 years ago. Those youth are now a good example of Ethiopian millionaires. Most of them are successful. Their businesses grew. Their staff grew. Their sales grew because we are selling now 10-20 folds more than what we were selling when we started.
Multinational beer companies sought well-connected youth to instill a capitalist ethos and to build new distribution networks, disciplining and restructuring them through financial support, in order to get a competitive delivery service. In Ethiopia, wholesalers must contract independent distributors to delivery their products, and with old networks being incompatible with a profit-seeking company’s objectives, new distributors became key to connecting bars, restaurants, hotels, and restaurants scattered across the country. In Addis Ababa, while working in retail-outlets, I was told that one of the greatest changes since privatization was the speed and efficiency of beer delivery, now 2-3 times a week, while before it would be monthly if at all. The destruction and restructuring of distribution networks is an entire discussion in itself as these channels are not merely economic but “an effect or product of the social milieu.” However, with these new distribution networks in place, multinational beer companies are able to gain access to market retailers (retail-outlets) and their consumers, beginning a process of embedding and reconfiguring local markets through the reciprocal exchange of gifts and the sale of beer.

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3.3 Modalities of Exchange: The Commodity and Gift in the Beer Industry

The notion of “market” lies at the core of the now passé substantivism-formalism debates in economy anthropology. The substantivism school, informed by Karl Polanyi, argued that principles of reciprocity and redistribution were more important than market principles in preindustrial societies, while formalists embraced the neoclassical claims regarding the market logic of utility and profit maximization as well as rational choice as universal, investigating how these principles were culturally manifest. Such divisions were short-lived as “anthropologists since then have a lot to say about how even the most sophisticated modern markets work” as forms of reciprocity and redistribution exist in within complex societies.

At the center of these anthropological debates about the “market” are the apparently distinct modalities of commodity and gift exchange. Christopher Gregory best describes the differences between them, categorizing the commodity as that which is characterized by both its intrinsic use-value and extrinsic exchange-value, and the gift as designated by its exchange-rank. Gregory defines commodity exchange as the “exchange of alienable things through transactors in a state of reciprocal

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interdependence,” while conceiving of the gift as the exchange of inalienable people and things through transactors in a state of reciprocal dependence, inverting the language used to describe the commodity. To him, commodity exchange is described as being class-based, while gift exchange a clan-based form of exchange, both existing not in “bipolar opposition but rather as the extreme points of a continuum.” Gregory’s description of gift versus commodity exchange is an abstraction as “No pure gift, or pure commodity, economy exists.” However, his analysis of gift and commodity exchange lays the groundwork for thinking through the underlying assumptions of these two modalities of exchange. Twenty years later, David Graeber would extend these ideas through his reworking of theories of value and exchange. Graeber presents a theory of human action that centers its creative potential towards what is desired as proper and good. This Heraclitan or dialectical approach not only to exchange, but value in general, demonstrates that “society is therefore in a sense always an active project or set of projects; that value is the way actions become meaningful to the actors by being placed in some larger social whole, real or imaginary,” Graeber’s work also demonstrates how people are simultaneously other-oriented and self-oriented. In this

8 Gregory, 23; Sahlins, Stone Age Economics, 185–276.
10 Graeber, 254.
way, beer markets are dynamic sites of making modernity, or that which is valued, through continuous action of reciprocal and transactional exchanges.

Drawing upon this rich literature on the anthropology of exchange, this chapter builds on these theories by showing how industry actors, retailers, and consumers, through webs of commodity and gift exchange, are participating in a creative project of making modern markets. Below, I further challenge four assumptions about the relationship between commodity and gift exchange that will be addressed in this chapter: evolutionary schema, the myth of impersonal commodity exchange, the gift as object of circulation, and the distinction between commodity value versus spheres of exchange.

My first challenge is to the conceptualization of commodity and gift exchange as an evolutionary schema. Marcel Mauss characterized gift exchange as an activity of societies which sit between the phase of “total prestation” but have not reached the state of “individual contract” and “money market.”\(^{11}\) In the case of the beer industry in Ethiopia, I show how commodity and gift exchange coevally establish a modern beer market rather than the former succeeding the latter. In order to embed themselves in the local economy and to assimilate drinking tastes, beer companies must actively engage in both commodity exchange (the buying and selling of beer) and gift exchange (promotional gifts, sponsorships, and branding). This is because making-markets is not

\(^{11}\) Mauss, *The Gift; Forms and Functions of Exchange in Archaic Societies*, 45.
merely about maximizing profits, but establishing a system of material, social, and imaginative associations between people and things, past and presents, aspirations and anxieties.

The second challenge is the characterization of commodity exchange as a “reciprocal transaction.” In the beer industry established relationships are necessary for commodity exchange to even function. Anthropologists tend to describe commercial exchange an impersonal process. For example, Graeber’s description of consumerism as a transactional activity:

What marks commercial exchange is that it’s “impersonal”: who is it that is selling to us, or buying something from us, should in principle be entirely irrelevant. We are simply comparing the value of two objects. True, as with any principle, in practice, this is rarely completely true. There has to be some minimal element of trust for a transaction to be carried out at all, and, unless one is dealing with a vending machine, that usually requires some outward display of sociality. Even in the most impersonal shopping mall or supermarket, clerks are expected to at least simulate personal warmth, patience, and other reassuring qualities; in a Middle-Eastern bazaar, one might have to go through an elaborate process of establishing a simulated friendship, sharing tea, food or tobacco, before engaging in similarly elaborate haggling…It is all done on the basis of the assumption that buyer and seller are, at least, at that moment, friends (and thus each entitled to feel outrage and indignation at the other’s unreasonable demands), but it’s all a little piece of theater. Once the objects change hands, there is no expectation that the two will ever have anything to do with each other again.”

Graeber is correct in the sense that much of commercial exchange is a reciprocal transaction where neither party is indebted to the other. However, in the case of the Ethiopian beer industry, the buying and selling of beer must be accompanied by

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established relationships, real and imagined, with retailers and consumers.

Trademarking and marketing departments exist to manage these industry relationships. However, it would be wrong to think that the management of relationships, in this sense, is simply the end of profit maximization (i.e. the sale of beer). Instead, company actors, along with retailers and consumers, participate in the creative act of making beer markets, in which fostering relationships and growing profit are, respectively, ends in themselves.

The third challenge is that the gift itself is not only an object of circulation but a catalyst that produces forms of circulation outside of itself. To anthropologists, the aim of commodity exchange is to “accumulate profit” while the goal of the “gift transactor is to acquire a large following of (gift-debtors) who are obligated to him.”13 However, in the case of the beer industry, gift exchange goes beyond this, acting as an investment that activates not only the circulation of beer and money, but spaces for drinking, as well as a flow of ideas, beliefs, and affects simultaneously embodying and scintillating off the beer. In Ethiopia, gift exchange, along with the buying and selling of the beer commodity, is a dynamic project of modernity, in which markets are unmade and remade through everyday acts of exchange. Whether a promotional item, sponsorship, or branding, the gift is a generative entity shaping the world in which it circulates.

13 Gregory, Gifts and Commodities, 51.
The fourth challenge is that inalienable and alienable transactions are not distinct but entangled in this system. With the simultaneous exchange of beer along with promotional products, sponsorship events, and branding, a system of value and rank co-exist as the sale of beer is not only tied to measurements of “quantity, objects, and equivalence”, but ranks of “quality, subjects and superiority.”¹⁴ I show how commodity value and spheres of exchange¹⁵ become blurred as the gift is often returned with the commodity and commodity with gift, creating conflict over equivalency and indebtedness within the market, through a system of “asymmetrical exchange” across value-scales.¹⁶ But also, what is of importance is the “relational implications” of these exchanges, specifically with promotional gifts, as these relationships are hierarchal.¹⁷

The following sections examine how beer companies foster reciprocal exchanges with 1) retail-outlets and 2) consumers, providing an ethnographic account of how markets are neither abstracted sites of buying and selling nor a place of exchange, but instead open-ended spaces, materially, socially, and imaginatively made and unmade via the circulation of commodities and gifts.

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¹⁴ Gregory, 50–51.
3.4 The Retail-Outlet: The Circulation of Promotional “Gifts”

The restaurant owner approaches me. Reaching for my hand, he kisses the top of it. Another follows me around the hotel glancing from the corner of his eye to track my movement, while yet another cozies up to me silently by the bar as I prepare my questions moving closer and closer before: “This place really needs a fridge, glasses, aprons, posters, chairs, tables, umbrellas, place mats, draft machines, sign boards, and if you can a generator?” I respond with “ḥalafinet yeleñim” (I have no responsibility), time and time again. They do not believe me. They have already decided I am a sales representative. It’s only a matter of figuring out from where: BGI, Heineken, Habesha, Dashen, Meta? They make a guess. “BGI betam iwededalehu” (I love BGI very much), says the owner trying to butter me up. Another takes a more aggressive approach: “Why have you not brought us a fridge? I have a fridge from the two other companies but not from “yours”! We have high sales here!” “Why doesn’t your company have more shilimatoch (prizes)? You should have more shilimatoch.” “Make the beer have less of a hangover.” “Can we get more tables and chairs?” “We could really use more glasses?” “I don’t have enough aprons!”

Walking around Addis Ababa with a pen and paper in hand, I would visit bars, restaurants, groceries, and hotels, asking owners and staff basic survey questions about the state of the beer market. “How are outlet sales?” “Which beer sells the most?” “Which beer sells the least?” They would halfheartedly answer or ignore my questions.
Despite insisting that I was a researcher from Addis Ababa University studying the beer industry in Ethiopia, most people assumed I was an undercover sales representative. As soon as I entered a retail-outlet, owners and staff were trying to figure out which company I worked for, usually making an educated guess before the requests started. I want glasses. I want tables. I want chairs, sign boards, fridges, sound systems, exclusivity. The list goes on. When I continued to ask questions, they would answer in the way they thought I wanted those questions answered, flattering or attacking whatever company they thought I was representing. I found myself marked by a field site in which the circulation of promotional “gifts” between beer company sales representatives and retail-outlets was highly charged and competitive with retail-outlet persons, especially owners, always trying to pinpoint me and leverage their position within this system of exchange.

3.4.1 Circulation

Trade marketing manager: “Our owners are perplexed with the amount of promotional product that we have to assign. ‘Why are we giving free beer? Our job is to sell not to give away.’ But that is our license to operate. That’s how [the outlets] see it.”

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18 I once was mistaken as an inspector from the local municipality while working in a neighborhood notorious for tax evasion. People along the street remarked that the municipality was getting smart, sending a young diaspora girl thinking we would not suspect her.


20 I interviewed several trademarking, sales, marketing, and managers across different companies who agreed to speak to me anonymously. Henceforth, they will be condensed and referred to by appellations, often overlapping, rather than name.
Restaurant manager: “If breweries brought in more chairs, it would be to their *tiqim* (use). They should try to *astekakel* (fix) the place, making it nicer so people will buy more beer.”

In order for breweries to sell beer in Ethiopia, they must engage in the generous circulation of promotional products. These include not only free beer, but inalienable items such as fridges, sign boards, draft machines, tables, chairs, glasses, serving platters, aprons, posters, artwork, and umbrellas to name a few. Through their exchange, these promotional products become promotional “gifts” and without the circulation of these gifts, there is no buying and selling of beer in Addis Ababa (i.e. the “license to operate”):

“Outlets think they are doing a company a favor by listing their brands...If you want me to sell your beer you have to do something for me. It is an insight for us if you want to do an activation or promotion you also have to have a bit of a fund, money set aside just to give to the outlet. You pay for the promotion while in fact what you are doing is bringing traffic to the outlet. That’s a challenge. It’s also an insight...That is the kind of mentality that exists.”

Promotional gifts go beyond the basic trademarking management of retailer relationships as companies find themselves drawn into a local gift economy. Companies have come to view retail-outlets as “spoiled” because of the excessive giving of promotional products. However, they continue to participate in the practice because it is a prerequisite for the buying and selling of beer. The refusal to give promotional gifts is a “refusal of friendship.”21 It is to forgo entry into the marketplace.

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Promotional gifts are a form of market reciprocity inseparable from the everyday act of buying and selling of beer, as retail-outlets are the gatekeepers of the market. If retail-outlets refuse to sell their brands, companies cannot compete in the marketplace. Promotional gifts are a way to build relationships with retail-outlets and gain a sales advantage on the ground. For the retail-outlets, “promotional gifts” facilitate the sale of beer and are in the mutual interest of both parties. As one young bar owner described to me, the ginfinunet (relationship) between negadé (merchant) and bira fabrika (beer factory) is central to market success, giving the example of Habesha in this particular neighborhood, which he credits with building a great relationship with the negadé through the company’s efficient distribution of refrigeration systems. Despite having minimal advertising, he declares that Habesha will outsell the other brands on any given night in this area. If other companies work on improving their relationship with the retail-outlet owner, if they give gifts, without a doubt they will succeed. What is unsaid here is the promotional gift is a specific kind of gift, a form of digaf (support) that encourages sales through the “activation” of the bar:

If you offer financial terms, they’ll be happy. If you give them credit, they’ll probably buy more of your product than the competition. If you give them an assortment of many beers to choose from, they can cater to the many different types of consumers. These things give you an advantage with service as a driver.

I’ll give you an example. The qebele the for example have you ever been to a qebele? It is like a public recreational place right, so in those places people go there because of affordability issues because they want things cheaper. In those places,

__22 Most often informally written in English as “kebele”.__
people are looking for financial support. The qebelé will not be able to have the capital to invest in a shed so you go there with a proposal that says look, we’d like to activate this outlet. We’ll give you a shed, table, and chairs, but would like to have exclusivity for draft every Saturday. And based on that you make a deal and later an investment. We call that activation and many things come with it—fridge, draft machine, aprons, beer glasses, sound-systems, TV, etc. All these things we customize. If you talk about a 5-star hotel then you cannot put a lot of visibility materials there so that is very limiting so our picture of success there would be events. For example, if we go to a major hotel and we tell them look there is a beautiful band, a small band, we would like to bring them here every Thursday evening. It’ll be exclusive for two hours and they will play and we can do this for three months.

*Digaf* through promotional gifts is viewed as retail-outlet investments that produce catalyst-like effects, activating the circulation of money capital through the sale of beer.

Activation by promotional gift creates the space and conditions for drinking to occur.

The example the trademarking manager gives is the *qebelé maznañat bét*. Owned by local municipalities, the *qebelé maznañat bét* is a public restaurant where people can go get food, drinks, alcohol, and entertainment for extremely marked down rates. He states that the *qebelé maznañat bét* lack capital and in order to sell beer, breweries must invest in them, creating a space where beer can sell by providing financial capital. Similarly, with high end hotels, companies offer promotional gifts, but in the form of an exclusive event.

The fridge, for example, is the most coveted of promotional gifts. As the young bar owner earlier stated, Habesha beer’s success in the market was due directly to their distribution of fridges. These fridges are needed to keep the beers cool and creates a space for the company to display their brands to consumers in the retail-outlets. In order to get a fridge, a retail-outlet owner must fill out a request form and give their assigned
sales representative a copy of their personal identification card and *negadé feqad* (business license). Fridges sometimes arrive just a few days after being requested, but many retail-outlets end up waiting weeks or even months. While speaking to retail-outlets, people would complain the most about an undelivered fridge from said company, naming off all the fridges they received from other companies, declaring that they have to sell warm beer to customers in the meantime, causing a loss in sales. For them, the beer company was not showing proper *digaf* by failing to keep their beer cold. However, fridges are also a source of tension on the side of the company. “We call them abused fridges,” states the sales and marketing manager. The “abused fridge” is the fridge used by the retail-outlet for other purposes rather than the intended one. To prevent this from occurring, sales representatives will sometimes make surprise visits on retail-outlets to make sure that they are being used properly as noted in a fieldnote entry:

“*Selam new? Selami new?*” Rapidly greeting a stunned bartender and a server, the local sales representative, a tall, heavy-set man in his mid-thirties struts into the outlet. He makes a beeline for the company fridge, opening it up and peering inside. He grimaces pulling out several bottles of competitor beers. “I’ve told you before. We’ve worked with you for a long time. You aren’t supposed to do that!” The bartender and server nervously turn their attention to the fridge, quickly removing the remaining competing beer brand bottles. He points to the competitor fridges in the outlet: “Those fridges are for their own merchandise and our fridge is for our merchandise.”

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23 These is no consensus of whether locals like warm or cold beer, but owners are consistently emphasizing the importance of a fridge in their line of work.
Breweries were quick to emphasize the idea that they are not about “policing” the companies but protecting their investment, or better yet gift investment, enforcing their “overlapping stewardship”24 over the fridge. Nevertheless, whether or not companies deliver a fridge on time, or a retail-outlet stocks one’s fridge with competitor beers, these are the ways the beer companies and retail-outlets break good faith with each other. For the retail-outlets, a failure to deliver a fridge is an unwillingness to accept an invitation into the marketplace and to give the proper investment needed for beer to circulate. For breweries, the violation of the fridge is a failure both to recognize the fridge’s original owner, and return the initial investment of the promotional gift through selling of their beer brand—for the fridge gift “must be returned with interest like all other gifts”.25

Similar to the fridge, the draft machine is another coveted promotional gift. As will be discussed in the following chapter, draft machines require maintenance by companies who regularly send draft cleaners to retail-outlets to service the machine, fostering intimacy between retail-outlets and the company. Central to exchange, brewery supplied draft machines cut retail-outlet cost, allowing them to bring in more revenue with a free machine instead of buying or renting a second-rate Chinese one that regularly overheats. Like the fridge, draft machines are an investment that engenders the circulation of capital (the sale of beer). It is also important to note that like the fridge,

24 Gregory, Gifts and Commodities, 44.
25 Mauss, The Gift; Forms and Functions of Exchange in Archaic Societies, 40.
retail-outlets never really own the draft machine. Instead, they are just possessors of it for the time being. The draft machine is not a gift one keeps but only holds on to. As one draft cleaner states: “The companies aren’t dumb. They don’t just give machines. “Șițota iyidelem qutir alew!” (It’s not a gift. It has a [tracking] number). The draft machine is not a gift in the purest sense, but the anthropological sense. It does not belong to the retail-outlet, but is marked with an asset number and accounted for by the company. In reality, it is not uncommon for draft machines to be circulated from bar to bar, restaurant to restaurant, grocery to grocery, and hotel to hotel by companies. When a retail-outlet closes or moves, the draft machine sometimes stays as new owners take over the space. Whenever I would ask people about the age of a draft machine in a retail-outlet, they would hesitate, call neighbors, trying to trace the history of the machine. Nevertheless, the utility of the draft machine is that for an indefinite period, it is a source of digaf for the retail-outlet through facilitating the circulation of cheap draft sold to the public.

Overall, the promotional gift fosters reciprocity between beer companies and retail-outlets, while facilitating the buying and selling of beer through its intrinsic utility. However, reciprocity should be understood neither as a means to an end for profit maximization nor as a modality of exchange parallel to commodity exchange. Instead, commodity and gift exchange should be understood as an inseparable, integrated process. In the Addis Ababa beer market, the promotional gift becomes a source of profit
maximization, a catalyst for profit circulation enabling the buying and selling of beer. Later, I demonstrate the reverse, as the commodity becomes the grounds for reciprocal demands as retail-outlets that sell the most expect to receive the lion’s share of promotional gifts in circulation. Nonetheless, this discussion is preceded by the next section, which explores how gift-giving becomes a source of prestige and visibility in the marketplace.

3.4.2 Competition

“Each of these precious things has, moreover, a productive capacity within it. Each, as well as being a sign and surety of life, is also a sign and surety of wealth, a magico-religious guarantee of rank and prosperity.”

The circulation of promotional gifts, like the potlatch, sparks an intense “rivalry and antagonism.” When speaking to trademarking and marketing departments, each company would insult the giving practices of the others. For example, one sales manager declared: “We are the generous ones, while [xxx] is the greediest one. When we sponsor, we are flexible, but for them it is impossible. They are very selective. Compared to us they are very selective.” Promotional gift exchange between retail-outlets and companies creates an environment in which companies judge another by benevolence, as they would sales, competing to out give each other in hopes of gaining favor of retail-

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26 Mauss, 43.
27 Mauss, 33.
outlets as status goes to the brewery that gives the most. However, it would be mistaken to think of this through the language of maximization, as “prestige” exists within a “web of social relations” within the beer market. As Mauss states: “The rich man who shows his wealth by spending recklessly is the man who wins prestige.”

The company that gives the most is the big man of the market, but for retail-outlets the presence of promotional gifts signifies prestige through their association with companies. This is most apparent in the exchange of sign boards, supplied by breweries and other beverage companies, that bedizen the streets of Addis Ababa. Sign boards have the name of the establishment encased by the brand logo. Sign boards were the object that initially drew me into researching the beer industry in Ethiopia. I would drive past rows and rows of sign boards adorning the entrances of retail-outlets: St. George, Dashen, Meta, Wala, Harar, Coca Cola, Anchor Milk. Some newer breweries like Habesha do not provide sign boards to retail-outlets because of the high cost and a desire to create “differentiation and uniqueness” in their marketing practices, but overall the sign board is a common promotional gift provided to retail-outlets.

For beer companies, sign boards create prestige through brand visibility. They are found across the city and it is not uncommon to see sign boards from competing brands piled on top of each other at popular retail-outlet entrances. One trademarking

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28 Gregory, Gifts and Commodities, 55.
30 Mauss, The Gift; Forms and Functions of Exchange in Archaic Societies, 35.
director admits that sometimes the companies become “greedy” as they challenge neighboring companies for a spot, but it is all about the game:

The honest answer is we like to put it there if the competition is there as well. It is not actually driven by us. We’re not happy about it but that’s how the outlets like to operate. They say I’m going to give you a space here. I’m going to give a space here for someone else and we have no control over that. It is better to be there than only the competition. It’s not that professional and we are not happy about it and it also takes a lot of investment [the sign board], but that’s what the industry dictates and we are not setting the standards we are just following them.

Through sign boards, beer companies attain a certain visible authority in the marketplace by literally putting retail-outlets “in the shadow of his name.” A display of prestige through enhancing one’s visibility while hindering the visibility of others, managers are aware that this competitive behavior can often lead to farce-like, even destructive results, with a single bar often superfluously draped in several bar boards despite the city’s attempts to regulate this proliferation. For the retail-outlet, the sign board also serves as a source of visibility and prestige as they receive a stamp of approval from the breweries. As one owner told me: “People see mastaweqéya (an advertisement) and therefore they must be a good place.”

31 Mauss, 38.
Figure 6: Meta beer, St. George beer, and Walia beer sign boards serve as advertising for local hotel

The fact that several companies are competing for the retail-outlet’s attention indicates to customers that said bar, restaurant, grocery, and/or hotel is a hot spot. In this way, the sign board is a promotional gift that signals an elevation above other bars due to a perceived closer relationship with the brewery in the eyes of consumers. Retail-outlets take advantage of this competitive environment by playing companies off each other to get more promotional gifts. The logic of the sign board extends to other promotional gifts as the more stuff a retail-outlet has the more prestige it acquires due to its elevated relationship with the breweries in the city. As one brand manager states:

It’s quite strong [the demand for sign boards] and companies are literally competing to give them away. Retailers are also not stupid. They tell you this company gave me this and that company gave me that so why are you being so stingy? It is a lot of negotiation, relationship building, and explaining to them how our strategy is different from others… It’s also they know that they can bully a bit because the competition is high. It’s not an easy task, I literally feel sorry for the sales team because they are always bullied and unless you are a really strong character and understand the strategy you get overwhelmed. You
need to be a loud mouth thick-skinned salesman to withstand all that shouting, accusation, complaining.

While conducting fieldwork, I observed a range of strategies used by retail-outlets to convince me, the “sales representative,” to give them more promotional gifts. From ingratiating coos expressing love for a single company to a more confrontational approach of “this company gave me this, but you have given me nothing”. Either way, retail-outlets are finessing companies—sometimes aggressively—in order to get more things. In this way, trademarking and sales departments find themselves at the mercy of the retail-outlet: “They know our heartbeat. They know how to get us hooked. We depend on them and that is very clear.” Companies cannot only give, they also cannot be out-given in this tumultuous gift economy as companies compete for market dominance and prestige.

Competition also plays out through exclusivity and partial exclusivity deals. An exclusivity deal is a promotional gift that limits a retail-outlet’s reciprocal relations with other companies as it can only sell the beer products of a single company whether for an hour (event exclusivity), a day (full day exclusivity) or indeterminately (exclusive retail-outlet). Exclusivity is a special type of promotional gift that exchanges sponsored events and/or relevant bar materials for the restriction of consumer drinking choices. Temporary exclusivities limit drinking to a certain brand during a designated time predetermined by the retail-outlet and company (e.g. period of sponsored musical event or comedy show). Retail-outlets can entertain unlimited numbers of these exclusivities with
several companies as long as the designated periods do not collide. Exclusive retail-outlets, on the other hand, can only sell a single company’s beer at all times. These retail-outlets are provided start-up capital through provided materials. This includes everything from glasses to murals to the construction of bars and tents to the instillation of an entertainment system. However, exclusive retail-outlets are not only selected on the basis of sales but on the strength of a reciprocal relationship developed over time:

We know them in the past. Maybe they worked in another outlet, but it is due to their reputation that we will choose them. We must believe that they will be successful. For example, we have one outlet. The property is owned by [xxx] wife, but it is being rented out by another guy. We’ve known him for 11 years. He was a manager of one of the big outlets, so we sponsored him— the remodeling, the construction, furniture, TV, cable TV, everything. Many companies are against exclusivity, even in the case of events, believing that it the practice of “forcing” the consumer to drink outside their brand preferences. As one brand manager states:

If an outlet comes up to us and asks us to sponsor an exclusive night every Friday of the week for three months, we will kindly decline. We do not engage in such activities. The common practice is that if you go to a couple of the big hotels, there are definitely one or two days a week reserved to a given company. They will sponsor everything on that day including the musical entertainment and cover other costs including event promotion on those specific days...For us this strategy has never been considered.”

Nevertheless, companies court and create spaces of exclusivity within the market to foster higher levels of intimacy between a beer company and the retail-outlet. However, more than other promotional gifts, exclusivity is more prone to break down, as the failure to meet the obligations of exclusivity can lead to the complete termination of a relationship. As one sales manager stated: “They don’t get it until the point at which we
take the tables and chairs. Once their retail-outlet becomes empty, they come back to us saying sorry. We will usually return some of the stuff, but not all of it in the end.” Gift exchange relationships are destroyed or terminated if the retail-outlet fails to recognize its obligation to the brewery. Emptying out a bar of tables and chairs is a form of “destruction strategy” as a company reduces the circulation of gifts, effectively ending the debt-credit relationship between itself and a retail-outlet. The “destructive strategy” can lead to the alienation of either the beer company or the retail-outlet as terminated exclusivity contracts go both ways. When beer companies become alienated, they might be kicked out of a single bar or even a neighborhood market, while retail-outlets would lose benefits from the company. Usually, these breaks will lead to the reestablishment of bonds after a period of cooling off since it is in the interest of both company and the retail-outlet to maintain reciprocal relations.

Competition over promotional gifts can also devolve, becoming more monopolistic than reciprocal. Turf wars can erupt between companies, especially in neighborhoods adjacent to breweries or corporate offices whether located in or outside of Addis Ababa. Yeĩna sefer (our neighborhood) as I have heard several sales representatives and managers state. Territorial fighting often leads to anti-competitive practices such as blocking the distribution of new beer. A brand manager comments on the inability to get a new product into the market:

32 Gregory, Gifts and Commodities, 60.
The people who tasted [the beer] like it. The feedback was top notch and people really loved our advertisement. Availability and distribution need more work. Obviously, it is a very competitive market so the competition is really trying to block it wherever possible but I understand. They have to defend their turf just as we defend our turf.

Companies are always trying to monopolize the market—defending their gains, while undermining the gains of others. For example, in a recently dismissed case, Diageo sued Heineken for hoarding its company bottles and crates in order to “sabotage Meta’s competitiveness.” Monopolistic behavior also shows up through the rampant presence of bribery. Promotional products can be exchanged for a gubo (bribe). The difference between a promotional gift and a bribe is that a bribe is a reciprocal transaction (you scratch my back, I scratch yours), while a promotional gift locks companies and retail-outlets into reciprocal networks of indebtedness. In the beer markets, bribes exist on two registers. First, there is the rogue sales representative receiving kickbacks from retail-outlets who pay them under the table for promotional products. One owner complains:

He says that when he first requested a draft machine a corrupt promoter asked him to pay 50,000 birr for the machine. But a good promoter took his place and he got a sign board and the draft machine for free. He says that some promoters want gubo and sometimes the gubo is the price of opening up a bar. An owner from a competing bar across the street walks in and he points at him. He has a friend at the company so they give him shirts for free. Everything is about who you know. These sales representatives are despised by retail-outlets who view them as unscrupulous and corrupt figures. However, oftentimes the sales representatives do not

act alone but as an agent of a company trying to harm their competition. For example,
on one occasion I observed the backlash from such a situation:

The bartender says the machine yasichegeral (It is a problem) because they have to pay rent. Whatever money they make in draft is eaten up by the machine rental fee. He complains that no company has even given the outlet glasses or a fridge, declaring all they have received is a poster as he points to a large circular sticker on the front of the makeshift bar. He insists that the outlet does not have customers because they do not have a sign board. I ask why he has not received anything when he openly tells me that one company agreed to give the outlet a sign board if they stopped selling the draft of another company. Not too far away, a representative from the latter company hears and scoffs at the remark. “Wididir be yeteshale neger” (competition by a better thing) that is how it is in other places (or how he imagined it) but here they instead threaten to pull out if you support a competitor. The bartender aggressively interjects. He tells him that he will abandon the company’s draft for a sign board unless they would be so willing to supply the sign board themselves—or at least a draft machine in its place. Companies try to leverage the power of outlets by dangling more desirable promotional gifts asking them to abandon their relationship with other companies in return. In this case, the individual was all but ready to abandon the draft machine for the possibility of a sign board (or at least pretending to in order to pressure the other company).

However, what makes this case unique is that the bar was a new one with no established name in the neighborhood. When I was there, they were operating for only two months and were trying to get customers through their door, making them more susceptible to this kind of corruption. Not all retail-outlets are the same in the eyes of the beer companies. High volume sales retail-outlets, regardless of demographics, have more power in the marketplace than newer or low volume sales retail-outlets, which are more
susceptible to monopolistic-like behavior because of their position, as beer companies pervert the system of reciprocity to exert dominance over the retail-outlet.

3.4.3 Equality and Spheres of Exchange

“We have our sales team on the ground observing if there are any new outlets. If we identify a new outlet, the first step is to register the outlet into our sales and customer management system. Soon after that we will start product deliveries and tracking outlet performance in terms of sales volume and growth in its first few months. After that, depending on resource availability we might decide to give visibility items…fridges and any other investment…”

The circulation of, and competition generated by, promotional gifts does not play out on equal grounds as the level of promotional gifts received by retail-outlets are primarily determined by the “sales” and “sales capacity” of a retail-outlet. Companies assess the earning potential of new retail-outlets, watching them closely to see if they become popular drinking spots before determining how many promotional gifts they want to provide. Arguably, each company has its own style of gift giving. Some companies are more informal and flexible, while others are more stringent in their categorization, with bronze, silver, and gold packages clearly delineating an “exchange-order”34 of gifts determined by sales/sales potential of beer. Nevertheless, for all companies, rules of exchange can be broken and bent. As one brand manager states: “There are no hard rules.” However, within this flexible system, there is an unspoken ranking of promotional gifts among retail-outlet owners. The highest order gifts are sign

34 Gregory, Gifts and Commodity, 48.
boards followed by refrigerators, draft machines, entertainment systems, and/or products that overall attract customers and greatly reduce retail-outlet operations cost.

The middle order gifts are umbrellas, tables, chairs, and/or other furniture useful to the retailer. The low order gifts include glasses, t-shirts, aprons, serving plates, bottle openers, free beer promotion, and/or any item used by service staff. Exclusivity events and retail-outlets do not fit into the system as they include a mixture of products and services packaged together, while posters and artwork, although appreciated, are superfluous.

Retail-outlets primarily make their claim on promotional gifts by communicating their high sales and how the number of promotional gifts they receive must be reflective of their sales:

I spoke privately with the bar owner who complains that he has a problem with a said company (the one he believes I represent). He declares that his outlet makes a lot of sales and that the company has failed to provide him with a deserved number of chairs and a fridge. He states that they call many times saying “inimetiλin” (we will come) but they have not. He lists off the companies that have given him a fridge emphasizing its importance because he does not have enough space to keep things cold. He ends with a compliment: “Mirt chigir yelem. Yennante bira sew yemeretad” (There is no yield problem. Your beer people choose) but an outlet such as his should be decorated in chairs, tables, and most definitely have a fridge.

The owner here is disgruntled because he has demonstrated more than adequate sales of beer in the market and believes that companies have not responded accordingly with promotional gifts, which would bring in more drinkers into the bar, noting that he could not keep the beer cold and did not have enough sitting room for the customers. Here the
owner is doing two things. First, he is pitting the company against others as a negotiating tactic. Secondly, at the basis of this tactic is a belief that the said beer company is not adequately responding to beer sales with the proper gifts, shying away from his bar while other beer companies have responded. Thus, the company is not meeting an obligation to give what is due to his retail-outlet. His frustration arises from both the company not responding with the appropriate exchange of gifts in quantity (e.g. more stuff), but also because the proper “exchange-order” in conjunction with his sales was not met as “a gift of high rank does not equal a number of gifts of low rank”. A common sentiment as I would find similarly angry owners who lament that companies would give them low ordered goods like glasses and fail to provide them with high order items such as fridges, draft machines, and sign boards reflective of their beer sales.

However, this notion that sales should be the defining factor in determining, which retail-outlets get what promotional gifts, is challenged by many bar owners. These owners demand equality in the marketplace:

The owner complains that a new restaurant across the street got a bunch of free chairs and a draft machine but closed after three months while *tiru denbeñayotch* (good customers) like her are ignored. She declares that big places and little places need to be treated equally. She does *shiyach* (sales) as well. She does not want anything from the companies except her *mebt* (rights).

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35 Gregory, 53.
The owner emphasizes that she has a right to promotional gifts, specifically in her case a functioning draft machine, not because she sells the most but because she sells. She views it as a *mebt*, meaning the obligation of the company to recognize her as deserving of gifts. She points out that she is one of the company’s *denbeñayotch* just like any other retail-outlet and that in itself should be enough for recognition in the marketplace. Another owner best puts it: “*and ke aťa yegodal*” (if one is lost it hurts oneself). These retail-outlet owners believe that it is important to see retail-outlets with “*and ayin*” (one eye) and the ranking system is in violation of the reciprocal relations of gift-giving in this market place. What is being demanded is a "share" in promotional gifts due to their "presence" in the market as sellers and it is their very presence that makes the company obligated to share.\(^{36}\) But also, they reject the idea that sales would be the grounds for defining reciprocal exchange between companies and retail-outlets rather than loyalty or seniority (i.e. the above woman’s retail-outlet was operating much longer than those across the street). It is not only the highest sellers but all sellers that must have a strong relationship with the brewery through the exchange of promotional gifts. Everyone should be given the opportunity for *digaf* and have access to high order items regardless of sales volume.

3.5 The Consumer I: Landscapes of Drinking

In Ethiopia, the beer industry is actively sponsoring events such as, but not limited to, fashion and comedy shows, concerts, bazaars, holiday events, and informal gatherings such as baptisms, weddings, and funerals to create spaces for drinking. These sponsorships, different from social responsibility programs, function as a reciprocal mode of exchange, in which beer companies hold the events and in return consumers drink their beer brands.

Breweries receive anywhere from hundreds to thousands of sponsorship requests a month from individuals, organizations, businesses, and even government entities. While conducting interviews with managers and directors from beer companies, I would jokingly ask them to describe some of the strangest sponsorship requests they have received. Those requests include a motorist who wanted a free beer to celebrate the fact that he fell off his bike and survived, a retailer who requested 100 free crates of beer plus a 100,000 birr check for the inaugural opening of his retail-outlet, and an individual who wanted a new house due to the fact that the government was going to build a road through his village. As one brand manager states: “In Ethiopia, the sponsorship request is for anything and everything. I am having a christening why don’t you sponsor me. I’m having a party at my home please sponsor it. It is endless.” The willingness of the

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beer industry to sponsor a wide variety of events is evident in its desire to embed itself in the local community to sell beer. Sponsorships create a space for sociality in a country where leisurely activities are costly. As a company director told me, Ethiopia is not a country where citizens have significant disposable income so if beer companies want to sell their beer, they need to create an environment that fosters drinking through sponsored events.

In the following section, I discuss three types of sponsorships commonly carried out by beer companies: concerts, bazaars, and *shilimatoch* (prize giveaways). I demonstrate that these events do more than create “goodwill”\(^{38}\) between consumers and producers— a style of “connective capitalism”\(^{39}\), using Robert Foster’s term, in which companies bring together individuals, governments, and organizations to garner more profits (i.e. in my case selling more beer). Rather, it is also about constructing a kind of modern market sociality that, without sponsored events, might have not otherwise existed. These spaces\(^{40}\) are created so people can consume more beers, but also to

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\(^{40}\) For general discussion on the anthropology of space see Setha M. Low and Denise Lawrence-Zúñiga, eds., *The Anthropology of Space and Place: Locating Culture*, Blackwell Readers in Anthropology 4 (Malden, MA: Blackwell Pub, 2003).
circulate the “gift of modernity” through branding as beer becomes the way in which people come to conceive of an Ethiopian modernity.41

3.5.1 Large-Scale Events: Performative Spaces

“We create an opportunity for the public to have such kind of concerts otherwise it would not be possible. It is expensive. Most of the time with any concert going on in this country one brewery will be there. Otherwise it will not happen.”

Arriving at the Jano Band Concert around 7PM, I walk into the grassy enclosure of the Ghion Hotel. Once the private recreational space of the royal family and the upper echelons of Ethiopian society42, the hotel is now a publicly owned space frequently used to host large concerts in Addis Ababa. The event is sponsored by Walia Beer, a mainstream lager brand owned by Heineken brewery. Walia advertising decorations are strategically placed throughout the venue as the company markets its product to a young and growing middle-to-upper class Ethiopian population. The event offers general or VIP admissions. The VIP seating area is in an elevated restaurant to the right of the stage, offering all Heineken’s products and barbecue at a premium price. I walk along the area for general admission. A series of planted palm trees lead up to an outdoor stage illuminated by purple and green lights. At the north end of the venue, a line of blue fridges is fully stocked with Walia beer for the concert goers, the white light


42 Opened in 1951, the Ghion Hotel was once the jubilee palace for emperor Haile Selassie. However, with the Ethiopian Revolution in the mid-1970s, the hotel was nationalized and remains state-owned still today.
from the fridges shining into the cool starless night. The space is fairly quiet and empty with just around 50 people scattered across the enclosure. It is not until 9PM that the DJ begins spinning a mixture of *behērawī* (national), African, and Caribbean music along with some Billboard 100 artists like Lil Jon and Drake. By 10PM thousands of young Ethiopian men and women would fill the crowds as the performers begin their sets. Beer flows as drones fly overhead snapping pictures of the excited crowds with beer bottles in-hand.

![Figure 7: Paper flyer for Diplo and Mahmoud Fusion Concert](image)

While doing fieldwork, I attended a number of high-profile concerts with Ethiopian and international artists: Jano Band, Diplo, Skrillex, Mahmoud Ahmed, Aster Aweke, Wiz Kid, Asgegnew Ashko, Abdu Kiyar, Damian Marley and many others.
Often a collaboration between EYOHA\textsuperscript{43} and breweries, these events have the dual role of introducing individuals, especially youth, to new beer brands by creating a space for socialization and drinking. In Addis Ababa, these grand concerts are held either at the Ghion or the Millennium Hall, owned by billionaire Sheikh Mohammed Hussein Al Amoudi, to stage cosmopolitan performances with a line-up of local artists mixed with foreign headliners. By combining Ethiopian and international music styles, beer companies are creating social spaces that foster global-local connectivity through drinking. Sometimes, these concerts will bend towards the traditional. For example, the Hageré Concert had a line-up of local artists headlined by legendary Ethiopian songstress Aster Aweke, but the element of global still pushed through, although more subtly, via the emphasis on drinking beer rather than traditional brews, towards an older crowd. Other large-scale events include fashion shows, expos, pool parties, and even openings of dams, roads, and bridges. The key pattern in such events, including concerts, is that they are performative. The beer companies are staging a spectacle to highlight the company’s wealth. Much like promotional gifts, large-scale events put on by marketing departments are a source of prestige through a display of generosity. These events become a site where consumers drink beer, but also receive the “gift of modernity” through a sonic and aesthetic blend of traditional and global music. This concept will be further elaborated upon in the next section, but overall performative

\textsuperscript{43} An entertainment production company in Ethiopia.
spaces provide the opportunity for a company to position itself as a benevolent provider of entertainment and fun for the populace.

### 3.5.2 Local Events: Connective Spaces

I arrived to attend a neighborhood concert located in a small community park at the Lideta condominiums. The event was for the purpose, according to the sales representative, of getting neighbors to get to know each other or megenaňit (to meet). Sponsored by BGI (St. George Beer), the event organizers erected three tents centered around a stage, setting out about two hundred yellow plastic chairs for the locals, and a large bouncy castle with about 20-30 young children piling onto it. I sat down next to an older woman wearing a netela (local handmade scarf). She let me know that the people in the condo did not have water but when BGI came, the government opened it up just for them (in a half joking tone, referring to the company’s importance). The host takes the stage and the show begins. He announces “inkwan dehna meţachu” (it is good you have come) and that today BGI will treat the audience to a concert so teznanu (relax). The DJ starts playing cultural music from different ethnic groups (e.g. Guragigna, Tigrinya, etc.). The first performer takes the stage — a heavy set woman who competed on the popular Ethiopia Idol show. She finishes her set to applause. A few other acts, both musical and comedic, follow before Tadele Bekele, an aging legendary Ethiopian singer,

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44 These condominiums are flats built for low- and middle-income persons by the Integrated Housing Development Programme (IHDP) as part of an urban housing development scheme.
takes the stage. He begins to sing and his wergama (golden) voice fills the streets. Crowds quickly start to gather outside the gates of the park. It is evening. They take out their phones, directing flashing lights at the stage. The marketing and sales representatives get to work inviting the people into the park, letting them know the event is free courtesy of BGI, passing out free St. George draft beer. People run up to the stage to give Tadele money. One man comes up and kisses his feet. At the end of his set, Tadele gives a testimony for how BGI is such a great company for not only supporting his artistry but for its commitment to community as a whole before he cedes the stage to the next performer.

Local sponsorships such as neighborhood concerts target consumers on a more intimate level. Unlike large-scale events, in which companies construct lavish sites of performance; here, beer enters into the space of the community with a neṣa (free) concert, setting up shop in a local park to attract those who might have not have the means or the interest to go to a Diplo concert. Specifically, this event inserts itself into a local politics of urbanization and displacement as the Ethiopian government, through its Integrated Housing Development Programme (IHDP), is rearranging the social landscape of Addis Ababa. With people moving out of their old neighborhoods into condominiums filled with strangers, the company aims, as stated above, to stage an event for neighbors to get to know each other. Through that process, they create an
association between the fluidity of beer and a desire for connectivity among those affected by the housing policy. Unlike large concerts where local-global sounds come together for a performative spectacle, the familiar song of a *werqama* voice weaves through a neighborhood, a siren creating connections amongst a community displaced by development. That voice with the flow of beer become a site of a new beginning in which a community begins to restructure itself within the space of a project complex (or at least what I argue the company is trying to evoke). Small-scale events such as neighborhood concerts, baptisms, marriages, and funerals aim to make the act of drinking beer a source of connectivity within a rapidly changing world. This space for drinking does not merely exist at the level of the social event, but is being created in the spaces in-between—at an interpersonal level.

### 3.5.3 Consumerist Spaces: The Bazaar

Walking through the holiday bazaar, I pass a series of booths densely packed into three *adarashoch* (halls) and the surrounding area outside of them. They are filled with a hodgepodge of things: piles of women’s, men’s, and children’s clothing; knock-off sneaker brands imported from China and Vietnam, a Pakistani vendor selling ornately decorated sandals, and local brands like Anbessa shoes; leather bags and backpacks; perfumes, colognes, and incense; toiletries, makeup, and bedding; kitchen

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appliances such as blenders, tea pots, and Foreman grills; plies of forks, knives, spoons, and pizza cutters; foreign liquor imports and local coffee; table cloths, ice trays and faux flowers; mounds of jewelry: fashion, sterling silver, silver and gold; religious iconography and artwork; and Turkish and Indian vendors selling dresses, scarves, furniture, rugs, and cutting boards.

Bodies shuffle through tight crowds, shoulder-to-shoulder. Friends, families, couples, and a periodic straggler, some slowly eying merchandise, while others move quickly with a purpose. Wooden and metal crosses hang from the necks of many. Women are dressed in anything from a basic t-shirt and jeans to traditional Habesha clothing. Men wear long sleeved, short sleeved, buttoned-up shirts, Ethiopian national team jerseys, all fitted to show a small bulge in the stomach. Children skip by with painted face masks in pastel pinks, blues, purples, greens.

At the center of all of this, there is an open area with a stage blasting music and other entertainment for the shoppers. Surrounding it on three sides are large sitting areas set up by St. George, Dashen, and Wala beers. Crowds of shoppers gather to rest under company tents— bright yellow, green or blue signifying the specific brewer’s space, chatting and drinking beer. One company, St. George has sponsored an outdoor restaurant. Servers yell pizza, burger, tibs, asa tibs through the crowds. Several feet away, at the back of the bazaar, sits Aster Tej (a company that sells indigenous ṭej wine). Buried
away behind an eroding statue of the Virgin Mary with moss growing around its base, the infant Christ in her arms.

Figure 8: St. George Brewery seating area at Addis Ababa Exhibition Fair

The Trade Fair (or exhibition fair) of Addis Ababa is a popular bazaar held in the weeks leading up to Addis Amet (Ethiopian New Year/ September 11th), Genna (Christmas), and Fasika (Easter). Located in the exhibition hall adjacent to Meskel Square, it is coordinated by the Ethiopian government and EYOHA—the former rents out booths to vendors that sell consumer goods and the latter provides entertainment for the guests. The bazaar attracts hundreds of thousands of Ethiopians a year who shop for gifts to give to their loved ones during the holidays, while providing food, drinks and entertainment for the crowds. The event combines religious and national holidays with

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the bazaar, taking a common peasant marketplace form and commercializing it.\textsuperscript{47} Predominately advertised at the center of the bazaar, beer companies are one of its largest sponsors. The bazaar allows companies to promote their individual brands, fostering spaces for consumer capitalism as holidays, especially Christmas and Easter, become associated with drinking beer, eating, and shopping. In this new age of consumerism, there is no room for indigenous alcohols. Within the spatial logic of the bazaar, \textit{tej} companies, producers of indigenous honey wine, are pushed towards the back entrance, hidden away, a thing of the past, while beer is visible, taking center stage. Not only this, rumors fly that the beer companies, in partnership with the government, are allegedly trying to banish \textit{tej} companies from the bazaar for causing \textit{unruly drunkenness}.\textsuperscript{48} Whether true or not, beer carves a space out for itself as a central part of increasingly consumer driven holiday seasons, while traditional brews become less predominant.\textsuperscript{49}

\textbf{3.5.4 Spaces of Possibility: Lotteries and Prize Giveaways}

Popular Meta Beer Advertisement: After finishing a hard day of labor at the construction site, a young man goes out with his friends to enjoy a Meta beer. Popping off the cap, he texts the numbers under it over to 7175 without much thought. However,

\textsuperscript{48} See next section for more extensive discussion of drunkenness.
\textsuperscript{49} See next section for more extensive discussion on indigenous alcohols.
a few days later he gets a call back from the company, learning he won the Meta
sweepstakes! The scene cuts to him visiting a Safeway Supermarket in Addis Ababa,
welcomed with flowers and people wearing red Meta beer t-shirts. The camera follows
him through the store as he walks up and down the aisles perusing bedroom, dinning,
and living room furniture as well as electronics and kitchen appliances, smiling as
celebratory music plays in the background. Finished, the employees pile 100,000 birr of
stuff into a moving truck and drive back to his neighborhood near Lake Langano. A new
bed, stove, cabinets, fridge, couch, table, and television are placed in his studio-size rural
home. He and his family gleefully sit around in the living room with him expressing his
gratefulness to Meta beer. The announcer at the end declares you can be next!

Along with television, radio, and print advertising, the shilimat is a popular
activity carried out by beer companies. As seen above, each grand-prize winner’s story
is frequently recreated and broadcast for the population to see that you too can be a
winner. Each year, Heineken and Diageo create a buzz for their brands through such
lottery-style games. Diageo’s Meta beer is known for its furniture lotteries, but as of late,
the company has begun giving away about 400,000 birr worth of start-up materials for
those who dream of opening businesses such as hardware stores, cafe/restaurants or
even distribution companies. Similarly, Heineken hosts its Walia Crown Lottery each
Ethiopian New Year. Its most recent lottery gifted 10 cars, 10 apartments, and several
television sets. The grand prize was a bundle of all the prizes—a house, car, and
television set. Smaller prizes for both Meta and Walia include free drinks among other trinkets.

During my fieldwork, retail-outlet owners would ask me to request that several companies have more *shilimatoch* because of the increased beer sales during those periods. *Shilimatoch* create a frenzy among a population by presenting possibilities not only for free stuff, but a completely transformed life. Drinking beer brings the possibility of a house, car, new business, etc. Walia prize campaigns are more popular than the Meta ones. This is arguably because Meta prizes, such as furniture, give people more stuff, but as seen above, it does not dramatically change one’s life as the young man was still living in the same place and had the same job. However, across the city (and outside of it), I would hear people buzzing about who would get the next Walia prize— what city it would show up in and how lucky the winners were. Many people were coveting the house and car prizes, not because they wanted a house to live in or a car to drive, but because of the possibilities those items provided. For example, a fancy apartment to rent would create a stable flow of income, while a car creates opportunities for chauffeuring or a distribution business. This is probably why Meta has recently changed its lottery to focus more on entrepreneurship. Lotteries create a space in the mind of drinkers that allows them to equate beer with profitable aspirations, the chance to accumulate money capital, rather than just winning stuff. It is this space of possibility, along with spaces of
consumerism, connectivity, and sociality/performativity, that create an environment necessary for the circulation of what I call the gift of modernity.

3.6 The Consumer II: The Gift of Modernity

Multinational beer companies in Ethiopia are circulating the gift of modernity through their branding and marketing practices. This modernity is both endemic and multiple in its divergent fantasies of an Ethiopian futurity, drawing from a national past but also imagined possibilities for the future. It is akin to what Donald Donham calls “vernacular modernisms” or a “local, culturally encoded stance toward history, one that yearns to bring things ‘up to date’. Such “vernacular modernisms” are charged by local “resistances, rejections, and reactions” and “rarely run in stable or cleanly distinguished lines.” Beer marketing campaigns, especially commercials, are produced by local advertising agencies or filmmakers who often interpret and communicate a vision of Ethiopian futurity through historical imaginations of the Ethiopian past. These visions are often politically and ethnically charged—if not competing—latching onto the beer bottle as consumers are not only drinking beer but promises of a uniquely Ethiopian modernity.

Advertising campaigns build associations between beer and modernity through branding strategies. William Mazzarella argues that branding is the method by which

\begin{itemize}
  \item [52] Donham, xviii.
\end{itemize}
advertisers and companies create a sense of intimacy to engender more profits. For him, branding is a form of gift exchange. It is a “game of keeping-while-giving”, in which brands take what Mauss describes as ola (objects traded for functionality) and bestow upon it the essence of the taongo (objects of value), giving itself away every time the commodity is sold and repaid through brand loyalty. In a country where developmental discourse saturates the national dialogue, beer becomes a way in which Ethiopians come to make claims upon the global through the flows of beer. This gift (brand) of modernity, marketed to consumers who begin to associate beer with the promises of development, an Ethiopian Renaissance, a country that will become middle income by 2025, is shaped by sociality which rearticulates these narratives through local categories and histories.

The following section explores the gift of modernity—as attached to the beer commodity—through branding practices. First, I analyze how companies market modernity through beer advertisements versus how consumers interpret, or reject, such

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imaginations through the lens of national, ethnic, and sporting rivalries. Second, I examine how associations between modernity and beer have affected the prestige of indigenous alcohols such as ṭella, araqa, and ṭej, which are undergoing a symbolic transformation with the mass availability of commercial brews, through the idiom of backwardness and drunkenness.

3.6.1 Advertising and Branding

In a popular Heineken commercial, giant Walia beer trucks march forward on a freshly paved road past Oromo farmers and their cattle at the end of the barley harvest season. The trucks drive across mountainous canyons lush with green vegetation, over a newly constructed bridge and a tunnel carved into the country’s hilly terrain. Two Ethiopian men ride their horses side-by-side alongside the trucks as triumphant orchestra music plays in the background, but soon it breaks into Afro beats and the chanting of “Walia Walia”. Images of camels and the Oromo Sycamore tree flash onto the screen before the trucks parade into the city of Addis Ababa with youth celebrating and drinking Walia beer. It ends with “Walia ṭiratachin kuratachin” (Walia our quality, our pride). 57

In an advertisement for St. George beer, a man writes on a typewriter narrating the long 20th century history of St. George beer beginning in 1915 (1922) in Ethiopia.

From the resistance against the Italians during World War II to the foundation of the African Union to the inauguration of the African Cup to Abebe Bikila’s victory at the Olympics Games in Rome to the present moment. Over 90 years of history, each time repeating “Yahniñe iña neber” (Then we were).  

The Habesha commercial begins with a young man sporting an afro. He is dressed in a way that evokes 1960s Ethiopia. He irons his outfit for the day and the scene shifts: a woman inspecting her afro in the mirror, another with winged eyelashes puts on makeup, another draws in her eyebrows, while another puts on a pearl earring. Next a man walks through the old city near the National Theater. It cuts to three women nearby. Two are dressed in their Ethiopian Airlines flight attendant uniforms (dark green knee length skirt suit), while the other is wearing a chic traditional Habesha clothing. An Ethiopian Airline plane flies overhead. The final cuts show a crowd in a theater and the outcome of a Miss Ethiopia competition before ending with a disco dance party.  

And finally, the Jano Beer commercial begins with a sole mesıňko (an Ethiopian and Eritrean string instrument) playing in the background followed by a series of images of youth blending modern styles with traditional Habesha clothing. A woman opens up an old chest to reveal her own Habesha clothing. The mesıňko begins to play

more rapidly. The youth prepare their outfits using an old Singer machine: sewing, weaving, cutting, and ironing (with a traditional iron of course). There is a focus on hairstyles: braids, afros, blowouts, and curls. The music quickens and a Jano beer bottle appears on the screen as the sounds of the mesĩnko are blended with EDM music. The commercial concludes with an electronic dance party.60

These four beer advertisements are an example of how beer companies market an Ethiopian modernity through beer, albeit in divergent ways. In the first advertisement, Heineken does not present itself as Heineken, a multinational company, but associates itself with the Walia (an ibex endemic to Ethiopia), which the company chooses as its logo, combining that with sweeping images of the Ethiopian landscape—farmlands, mountains— and recently constructed infrastructure— roads, bridges, and tunnels— evoking a harmonious view of environment and development. As the Walia trucks enter into the city, the celebratory African music signals the arrival of modernity in the form of the Walia beer bottle. However, this is not a modernity brought in by Europeans, but instead originates from the Klinho Brewery in the Oromo territory, driven into the city on roads constructed by the national government. In this way, Walia beer signals an endemic developmental modernity brewed by and for the Ethiopian people. On the other hand, the commercial for BGI’s brand St. George beer does not

evoke development, but an Afro-Ethiopian modernity that emerges from a tumultuous, yet victorious 20th century history of Pan-African movements. This modernity places Ethiopia, hence St. George beer, named after a dragon slaying saint, at the center of all these critical events central to the formation of 20th century Africa, repeating that “then we were”. The Habesha beer commercial presents another modernity, hearkening back to the golden days of Haile Selassie before the Ethiopian Revolution of 1974 and the advent of an ethnic state. Glamorous young Ethiopian men and women, carefree, watching movies, dancing, and walking through the streets of Addis Ababa. This modernity is one of nostalgia and desire for the return of particular time in recent history marked by imperial rule in which everyone was just Habesha. Finally, Jano beer shows youth putting a modern twist on traditional ways of dress and wearing one’s hair, but also taking the beloved mesinko and electrifying it. Jano beer presents a modernity that is hip and collaborative, a form of global blackness. It is not about evoking development or the past in thinking about the world but a futurity in which youth paint the world with their own colors.

In these advertisements, modernity is presented as neither the global nor the local but as an emotive concept linking the “global intrinsics” (the quality of the

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61 There are many that want an imagined identity of Ethiopia outside of ethnicity, hoping for a future similar to Haile Selassie’s reign in which everyone was just Habesha. This depiction of Ethiopia, although presented benignly through nostalgia for the past, is politically charged and contested in its association with the former imperial regime.
product) and “local extrinsics” (the cultural specifics of the consumer’s culture). When companies make an appeal to “global extrinsics,” it is through the language of taste and quality. There are a number of commercials, including some above, where beer companies point out the ቦርት (quality) and ትшедш (taste) of the beer. “Local extrinsics,” include references to history, landscape, music, and fashion. Both are linked by an emotive concept such as “fun” or in my case modernity, and the desire for it, which is central to branding. This idea is demonstrated in another Habesha commercial:

The animated images draw a history of the triumphant Habesha people faced with an impossible task of building an empire against the odds, but the narrator declares that united they can do anything—describing the Ethiopian people as possessing “jeginnet” (heroism) and “neşanet qelemach new” (freedom is their color). The commercial ends by declaring: “Werqama bira le werqamaoch” (a golden beer for the golden ones).

Beer branding in Ethiopia is all about the future even when it is referencing the past.

Here, the Habesha people are toiling away at building an empire in the face of continued threats to their freedom. The local history (“local extrinsics”) mixed in with the goldenness of the beer (“global extrinsics”), is linked by a story of people untied and striving for a distinctly Ethiopian modernity against all odds (the branding). Through such strategies of branding, beer companies are gifting consumers a fantasy — an

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62 Mazzarella, Shoveling Smoke, 233.
64 It’s important to note that multinational alcohol companies usually employ popular local artists and filmmakers to conceive of their commercials.
Ethiopian futurity that is forged by Ethiopians for Ethiopians—and in turn loyal customers continue to drink their brews.

However, while many Ethiopians willingly consume this gift of modernity (through branding), others reject it on the grounds of neo-colonial suspicion. For example, companies like BGI are viewed by many (but not all) as being local despite being a French owned company. In the late 1990s, BGI bought the St. George Brewery in Addis Ababa. It is the oldest brewery in Ethiopia so when people speak of St. George beer or BGI, it is always referred to as being part of an Ethiopian past, a distinctly local Ethiopian brew. When I asked people about the inherent locality associated with St. George Beer, some say it is because the name St. George is tied to religion as the saint was said to have led the Abyssinians into a historic victory against the Italians at the Battle of Adwa. Nevertheless because of this long history, the foreign becomes erased and part of the local imaginaries. However, other companies sometimes get viewed as foreign, an alien or outside force steadily colonizing Ethiopia, despite attempts to covertly embed themselves:

One day while trying on leather jackets at a stadium shop, a sales woman asked me what I did for a living. When I began to explain my research on beer, she quickly cut me off and decided to give me her two cents on the matter: “The Ethiopian government shouldn’t have let Heineken in. They made a mistake. The company will destroy everyone. They are sneaky. They brought in a beer with a different name Walia to trick people into to drinking it, but in the end, they will bring their own Heineken beer from behind to destroy every other beer. That’s what they do in all the other African countries. They will destroy everyone else!” I tell her I don’t think they will have the same luck in Ethiopia. People like you
are too suspicious of outside companies. But she persisted: “You’ll see! You’ll see! Just remember what I told you!”

The entrance of multinationals into the marketplace is marked with suspicion by some locals who do not trust their intentions. In the case of Heineken, she was accusing them of a kind of corporate colonialism and was livid with a government that was allowing it to happen. To her, the opening-up of markets to foreign companies for development threatens local sovereignty. The pursuit of modernity will inevitably lead to domination through and by the commodity. This is not always the case, as many are fond of and even champion Heineken, but this woman sees the company as parasitic—a foreign, invasive modernity that is neither Ethiopian nor African.

![Figure 9: St. George slaying a dragon (BGI painting within a retail-outlet)](image-url)
Consumers also politicize the modernities circulated by beer companies by reading national, ethnic, and sporting rivalries into advertised futurities. Because of this, beer companies often find themselves embroiled in local rivalries, whether intentionally or not:

“Zeréña neger new” said the man in reference to the entire room drinking Zebidar beer. “What does that mean?” I didn’t know the word. It sounded like seed. Could it be something about lineage I thought? He laughed and didn’t want to continue. It was only later that I recognized we were outside of Addis in Oromia region near an area where riots occurred last fall, but at the time I persisted. “Is it like “behérawi?” I whispered. “Yes, like behérawi.” He quietly said.

In Ethiopia, people will support beer brands based on ethnic sentiment. The Zebidar brand is Gurage, Raya is Tigray, Harar for Harar, and Dashen is the woyané bīra associated with the ruling party. After leaving the retail-outlet, the man and I would discuss how Dashen suffered because of these types of affiliations, but he was neither the first nor last person to point out this controversy to me. Throughout my research, there have been widespread boycotts against Dashen. However, Dashen beer is not the only company to end up on the wrong side of ethnic/political sentiments. When first entering Ethiopia, Heineken fell into conflict with the Oromo ethnic group when it hired popular Amhara singer Teddy Afro, who stated in an interview that “For me, Menelik’s unification campaign was a holy war.”

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65 Multinational alcohol companies, as seen in the advertisement, evoke certain politics of national belonging but often avoid divisive issues.

Ethiopia over 100 years ago is seen as a genocide-like massacre in the eyes of the Oromo people. Such comments spurred a #BoycottBedele campaign against Heineken. Other beer brands like Habesha and St. George have avoided ethnic association, but today find themselves embroiled in a football conflict through their sponsorship of rival teams (St. George versus Buna clubs). Soccer stadiums have become political battle fields in which “St. George becomes a symbol of the Ethiopia’s struggle for freedom” as of late, but for many of Buna’s young supporters it is the object of scorn, viewed as a corrupt multinational corporation as they scream “bira musina” (beer corruption). Overall, the gift of modernity, circulated by companies becomes charged when received by the consumer. Beer comes to still signal an endemic modernity, but that modernity manifests as more political and divisive than initially intended by advertisers.

3.6.2 Indigenous Alcohols and Drunkenness

“Araqe, ይለላ, ተፍ, no one drinks them anymore,” he said. “People have moved on to beer. Before beer was a drink for those who had a lot of money, while draft [beer] was for those who had had some capital. Now everyone drinks beer: ‘bizu mirt ale.’ (there is a lot of yield)”

In order to understand how beer signals modernity, it is important to understand how the commercial beer products are viewed in relation to traditional Ethiopian

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alcohols. With the privatization of beer companies, beer is no more a symbol of
distinction but a commodity available even to those living in the most remote parts of
the country. Beer is everywhere with several brands to choose from. This availability has
led to shifting prestige distinctions69 and the reclassification of traditional alcohol in the
imaginary of the public. Whether it be the slow displacement of tella with beer as the
choice drink for religious holidays among Christians, the commercialization of araqe, or
the reification of tej as a distinguished yet problematic sign of “national culture,”
traditional alcoholic beverages are being relegated to an Ethiopian past, incompatible
with modernity.

Tella is the most commonly produced indigenous beer in Ethiopia, historically
associated with Christian holidays, is steadily being replaced by industrial beer
consumption. It can be brewed from barley, wheat, maize, millet, sorghum, teff, and/or
other cereals.70 The procedure varies between ethnic groups, but it takes about 6-8 days
to prepare and has an alcohol content of about 5%.71 Tella has been undergoing a steady
decline in consumption in Ethiopia. As one manager at a company proudly declared:
“Before we arrived, tella was more popular than bottled beer. We basically destroyed it
and now more people drink beer. We’ve remade the market.” Comments on the

69 G. J. Abbink, “Drinking, Prestige, and Power: Alcohol and Cultural Hegemony in Maji, Southern
Ethiopia,” in Alcohol in Africa: Mixing Business, Pleasure, and Politics, ed. D.F Bryceson (Portsmouth, NH:
Heinemann, 2002), 161.
70 Getachew Tafere, “A Review on Traditional Fermented Beverages of Ethiopian,” Journal of Natural Sciences
71 Tafere, 100.
disappearance of *tella* houses across Addis Ababa is something I hear about time and time again. Although steadily diminishing, the practice of drinking *tella* for religious holidays is still prevalent (many people drink it alongside bottled beer). However as one individual put it: “You know for holidays like Meskerem and Gabriel they used to brew *tella*, but now most people just buy the case of beer. It is much easier. The only thing people continue to do is the *buna* ceremony rather than drink from a coffee machine.” This comparison between diminishing *tella* and the longevity *buna* arguably can be described as a question of economy. Coffee is a pivotal part of the Ethiopian development agenda along with beer. Buying and selling beer and exporting coffee are activities associated with making a modern Ethiopia. Further, the *buna* ceremony in itself, rather than the drinking of coffee, is what signals a local modernity similar to that of beer. *Tella* does not have such associations and instead is relegated to an indigenous past.\(^{72}\)

Similar to *tella*, *tej* signals an indigenous past incompatible with the modernity of commercial beer. A local wine made from honey, sugar, water and *gēsho* (hops) leaves\(^{73}\), *tej* has a high alcoholic content. Today, *tej* is a popular drink enjoyed at cultural restaurants or tourist spots across Addis that has come to represent Ethiopian “authenticity” in the kitschiest of ways. However, *tej* also presents a duality in meaning.

Yes, “ṭej was the drink of Haile Selassie” as one informant said. It is a revered alcohol that materially embodies national culture. But ṭej is also associated with drunkenness and riotous behavior, the image of the intoxicated man who stumbles across the streets of Addis staggering from ṭej bet to ṭej bet. Or as mentioned earlier, rumors that a ṭej company was briefly kicked out of the holiday bazaar because ṭej drinkers were getting too wild, fighting and causing destruction, allowing them back only after they “modified” the drink. Here, ṭej is literally being pushed out by beer which (by implication) does not allow for the same type of drunkenness.74

Finally, araqe is a popular indigenous liquor long associated with backwardness and drunkenness, but is undergoing a commercial makeover making it negatively compatible with notions of modernity through bottling. The drink is a distilled and colorless liquor75 made from the same inputs as ūella76, but with a much greater alcohol content, which can go as high as 50%.77 Today, the liquor is being bottled by the Beherawi and Barizaf alcohol companies and sold to hotels, bars, groceries, and restaurants across the country. It is generally seen as a low-class alcoholic beverage. I won’t forget the first time I was sitting at a dinner and asked a family member what they thought of araqe and shamita. The individual started laughing, saying “now that is low

74 Although the increased consumption of beer has led to concerns about drinking and driving, it is not enough to warrant a ban from holiday festivities.
75 Tafere, “A Review on Traditional Fermented Beverages of Ethiopian,” 95.
76 Yohannes, Melak, and Siraj, “Preparation and Physicochemical Analysis of Some Ethiopian Traditional Alcoholic Beverages,” 400.
77 Tafere, “A Review on Traditional Fermented Beverages of Ethiopian,” 95.
class, only the durīyē (delinquent youth) drink those drinks.” However, commercialization has led to a distinction between the “traditional araqa” produced in households and the “bottled araqa” which has shed some of its low-class connotations:

One day, while asking a group of men about draft beer sales at the Sheraton, I joked that the hotel customers are probably just drinking imported liquor like the 3,000-birr cognac (per shot) that sits at the center of the office bar. Instead, they said that sales of national drinks like araqa are very high and more popular among customers. I remember being confused while listening to their conversation, stopping them and asking: “So the araqa comes from Debre Birhan?” They began to laugh and say: “Of course not the araqa from Debre Birhan, not the stuff they carry in the jerika!” They went on to make a clear distinction between the two with the bottled version being viewed as local but not low-class (acceptable even at the Sheraton) while the other is a backwoods sort of drink.

The presence of the bottle is enough to change associations of araqa in the minds of drinkers through its commercialization.78 Araqa becomes a local beverage bottled in a modern way, rather than a backwards or archaic form of consumption. Araqa is also known to be dangerous, causing fatalities because of the unknown alcohol levels. The bottle introduces the safety of standardization as people are not transporting and selling it out of buckets. In this way, araqa becomes more similar to beer due to its new status as expressing a kind of modernity through bottling. However, it still carries the connotation of drunkenness.

Beers like Meta beer evoke similar association with drunkenness as bottled araqa.

Despite the mainstream beer brands having similar alcoholic content—St. George 4.7%

Habesha 5.0% Dashen 4.8% Wala 5.0% Meta 5.0% ABV — people are adamant that some beer brands are far more powerful than others, specifically Meta:

We were having lunch at a bar near the African Café in Piazza. We are seated next to sailors who work off a ship that ports in Djibouti when we start talking about the house drink—a mixture of sprite, Bedele Special, white wine, and a bit of gin. They are on holiday and are basically getting drunk. They tell me to try it because it tastes good. The conversation turns to beer. They tell me that despite what the alcoholic content says on the label there is vast difference between brands. He says for example when Walia first came, it was good. You could easily get drunk off it, but now they water it down. He says Habesha is a good beer that gets him drunk and so is Meta. He tells me that St. George is weak. You drink St. George when you are at the expo [bazaar] with the family. He can drink 20 and still go do gulbet sira (physical work). He says that after a few 5-6 Metas he’s good and drunk. They tell me there is a drink at Meta bars called a “cellar” that is great, getting people drunk fast. Meta is a drunk man’s beer. One bar owner told me that he hides the Meta beer, putting only a certain amount on display because he knows who drinks it. Those persons get so drunk they take off the label and stick it on their head, parading around like they are lions. Because its tendency to cause drunken, riotous behavior others associate Meta with the lower class, or fara (backwardness) as one drinker so explicitly stated when I asked him if he drank Meta. Truthfully, Meta has just as much alcohol as other beer brands, but like araqe, which is significantly stronger than beer, it signals drunken low-class behavior. However, this drunkenness is slightly different from the traditional drunkenness of tej and non-commercial araqe, which are backwards and part of an indigenous past. Commercial araqe and Meta evoke an undesirable modernity, a disordered one, still indigenous but not aspirational as the light taste of other beers.
3.7 Conclusion

When multinational alcohol companies arrive in Ethiopia, they not only sell beer, but embed themselves in local markets by establishing reciprocal relations of gift exchange with retail-outlets (promotional products) and consumers (sponsorships and branding). This gift exchange generates forward linkages through investment in food service, entertainment, and advertising industries as multinational alcohol companies are determined to further integrate themselves in and ultimately shape the everyday life of buying, selling, and drinking beer. These companies also use branding strategies to assimilate the tastes of consumers, in the Bordieuan sense, by creating associations between beer and modernity, albeit a vernacular modernity, as companies are determined to appear local. Such advertising campaigns have led to the diminishing prestige of indigenous alcohols more readily associated with a drunken backwardness as multinational alcohol companies encourage consumers to drink more commercial beer. Overall, these processes of embedding and assimilation have reverberating economic and socio-cultural effects as the corporate drive for profit and market dominance permeates and transforms the marketplace in ways beyond the buying and selling of beer.
4. Lubricating Infrastructure: The Draft Cleaner and Rituals of Cleaning in Addis Ababa

Mornings are a time for cleaning in Addis Ababa, Ethiopia. It is 7:00 AM. A young sleepy bartender awakens. Wiping his eyes, he lazily rolls up his foam mattress in the corner of the shanty drinking house. With its lavender-painted concrete walls, the bar is located in one of the city’s many hilltop communities surrounded by an ever-diminishing forest. He leaves the room with mattress in tow and returns with a broom. He begins sweeping, collecting dry sar (grass), bottle caps, broken glass, plastic, and other trash, dragging them across the burnt orange linoleum tiles into the center of the room.

Meanwhile, at a popular beer garden located downhill, in the center of town, a handful of male servers are vigorously wiping down chairs and tables with sponges, hosing down intricately carved brick designs, while the women wash and dry the restaurant plates, cups, glasses, and silverware. At a similar establishment elsewhere, a waiter is propelled up onto a transparent beige garden tent. He is trying to access several mud deposits—a mix of dust from the city’s ceaseless construction projects, motor exhaust pollution, and last night’s torrential rains—weighing down the structure.

A female manager at a retail-outlet located on a cobblestone road collects red, purple, white, blue, green and yellow, circle, triangle, and rectangular drink chips, organizing them into piles as a voice from the nearby Orthodox Church loudspeaker pours into the bar with a song of praise.
On the eastern limits of the city, in Oromo ethnic state, what was previously farmland is now a collection of several small drinking houses. A draft cleaner tells me that it is more profitable for the local gebere (farmer) to open up metet bet (drinking houses) rather than continue farming. Located near the city’s primary sewage dump, an army of flies fill the room. Still, a server glares at us as she drags a wooden mop across the floor, wiping away our muddy shoe prints. The cleaner apologizes for our dirtying of the place.

Elsewhere a teenager manages to smoke out pesky flies using kesel (coal) smoke. The black vapors seep out into the street, an empty winding one-way road along a path of highly coveted buff-yellow and white striped condominums with ground floors reserved for bars, groceries, and restaurants.

Workers in a makeshift bar under a highway overpass try to mend a torn piece of tarp used to block against the debris kicked down from the asphalt above.

A waitress at 5-star hotel resort furiously polishes the stainless-steel appliances as diaspora, expatriates, tourists, aid workers, and business people steadily arrive for breakfast.

It is tsidat seat (cleaning hour) in Addis Ababa.

4.1 Chapter Argument

“There are some things we cannot experience without ritual. Events which come in regular sequences acquire a meaning from relation with others in the sequence. Without the full sequence individual elements become lost, imperceivable. For example, the days of the week, with their regular succession, names and distinctiveness: apart
from their practical value in identifying the divisions of time, they each have meaning as part of a pattern. Each day has its own significance and if there are habits which establish the identity of a particular day, those regular observances have the effect of ritual. Sunday is not just a rest day. It is the day before Monday, and equally for Monday in relation to Tuesday. In a true sense we cannot experience Tuesday if for some reason we have not formally noticed that we have been through Monday. Going through one part of the pattern is a necessary procedure for being aware of the next part. Air travelers find that this applies to hours of the day and the sequence of meals. These are examples of symbols which are received and interpreted without having been intended. If we admit that they condition experience, so we must admit also that intended rituals in regular sequence can have this as one of their important functions."

This chapter explores *tšidat seat* as the ritual\(^2\) period of cleaning that is an integral part of the everyday business activities of restaurants, bars, groceries, hotels, and drinking houses across Addis Ababa.\(^3\) An overlooked and unappreciated aspect of market life, *tšidat seat* refers to everything from wiping down tables to counting drinking chips to taking an inventory of supplies to managing the retail-outlet’s accounting books. I argue that *tšidat*, the daily ritual of cleaning, forms a *lubricating infrastructure*\(^4\) that produces the affective, material, and social-symbolic preconditions needed for

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3 This chapter only examines the necessity of cleaning as it pertains to the function of the beer market.
4 Infrastructure, here, refers to a network of people and things rather than physical object such as roads, electric systems, telecommunications, etc. See AbdouMaliq Simone, “People as Infrastructure: Intersecting Fragments in Johannesburg,” *Public Culture* 16, no. 3 (2004): 407–29.
markets to function. An “architecture of circulation” for people, goods, and money as well as ideas, values, beliefs, and attitudes, tšidat not only structures material and social life in the marketplace, but reveals and generates desires both manifest and inchoate as attached to the everyday act of buying and selling.

Specifically, I examine the role of tšidat seat and tšidat in the Addis Ababa beer market through the figure of the draft cleaner who is an agent of change advocating development* by spreading a corporate ethos of cleanliness. With the privatization of local beer companies, draft cleaning has become as much a part of the everyday life of beer markets in Addis Ababa as buying (the uninterrupted draft and beer bottle deliveries by brewery-affiliated distributor trucks), marketing (company sales representatives collecting retail-outlet performance data and offering promotional “gifts” to favored retail-outlet), selling (the day-in-and-out of selling beer to customers), and consumption (customer tastes and preferences). Historically, many people did not like draft because they thought it was “a by-product of beer,” but as of late draft beer has become a low-cost alternative to bottled beer, promoted by draft cleaners responsible for cleaning draft machines located in bars, restaurants, groceries, and hotels. They do this while simultaneously fostering affective and symbolic associations

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* By development, I mean modernity. I use development because it is the term used in my everyday conversations with draft cleaners.

* I was also told sanitation issues with draft machines in the past led to people getting sick from draft beer. Therefore, there was a general distrust of it.
between *tśidat* and retail-outlet aspirations to gain profit from beer sales. It is also through draft cleaning and their everyday interactions with retail-outlet owners, bartenders, servers, and consumers that draft cleaners are able transform cleaning practices—hence circuitously market practices—from below.

The chapter begins with *Cleaning Under Pressure*, an exploration of the affective dimensions of draft cleaning, through a vivid description of the folding and unfolding process of cleaning—its sights, sounds, smells, and tastes in the encounters between draft cleaners and the retail-outlets they serve. Split into four sections dispersed across the chapter, *Cleaning Under Pressure* follows the draft cleaner step-by-step through the cleaning process as he encounters people, chemicals, environments, fluids, and machines. A collage of my experience with draft cleaners, each paragraph represents different draft cleaners at varying points of the draft cleaning process, building my isolated encounters in the field into one seamless account of the draft cleaning experience.

The first section develops the figure of the draft cleaner who integrates himself into a network of urban drinking houses across Addis Ababa to service their draft machines. The draft cleaner mediates the contradictions between infrastructural reality of the city and the needs of the draft machine he cleans through vigilant preparation. In

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the absence of federal and municipal codes governing draft beer standards, he also
assumes a position of distinction amongst drinking houses through his draft tasting and
machine expertise. And finally, the draft cleaner exercises his expertise through the
language of fiqir (love) and megebabat (understanding) towards both people and
machines, not only building but lubricating relationships between drinking retail-outlet
owners, their staff, and other company actors such as sales representatives and
distribution agents, to ensure the market operates smoothly.

The second section examines the supposed ṭsidat ṭiqim (the uses of cleaning).
Beginning with a short history of draft cleaning in Ethiopia and its transformation with
the privatization of the beer industry, I argue that with increased competition draft
cleaning moves from being an aimless zemecha sira (campaign work) to an organized
profitable activity causally linked—whether real or imagined— to higher draft sales. I
explore how the draft cleaner is reshaping notions of cleaning and cleanliness by
connecting them to the promise of greater sales profit (Cleaning = Better Taste = More
Sales = Profit). However, whether or not cleaning actually produces greater profits— a
claim I find shaky— the association between cleaning and profit creates very real effects
in which new rituals around draft cleaning become necessary for producing a desired
market performance.

The third section explores how social, political, and economic associations
between cleaning, taste, and profit produce sensory-affective energies in which
friendships, tensions, and feuds between draft cleaners, beer companies, and retail-outlets are communicated through a language of clean, dirty, and contaminated.

Engaging with Mary Douglas’ *Purity and Danger: An Analysis of Concepts of Pollution and Taboo*, I examine how the draft cleaner not only transforms people’s material, temporal, and symbolic associations with *tṣidat* but the affective dimensions underlying them.

### 4.2 Cleaning Under Pressure I: Draining and Sanitizing

“Rather than fix notions of agency, subjects, objects, bodies, and intentions, [ethnography] would try to more fully describe a world under pressure, the way a present moment can descend like a curtain on a place, the way a world elaborates in prolific forms, taking off in directions, coming to roost on people and practices. In the state of emergence and precarity, points of aesthetic-material-social-political precision can appear as a flickering apparition, a flash of color, or they can come to bear, roughly, on bodies like a hard shard landed in a thigh muscle. The ethnography of such things has to be both nimble and patient, jumping with the unexpected event but also waiting for something to throw together. The ethnographic reals it approaches are not flat and incontrovertible but alchemical, traveling in circuits of impact and reaction. In this world things happen.”

“Why don’t you come earlier? Why do you come when I have customers?” says the male bartender scowling. It’s only 8:30 am but the bar is packed, wild with bustling bodies downing pitchers of draft and chowing down on *dulet* (lamb tripe) and *injera* (Ethiopian flat bread) for breakfast. The draft cleaner and the bartender engage in playful yet tense back and forth when the owner appears from the kitchen— a middle-aged, imposing, heavy-set woman. She intervenes and all agree to an expedited clean of

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*Stewart, 197.*
the draft machine. But first, with her bellowing voice, she turns into the crowd and shouts: “Who wants draft let me know now!!!” Several hands shoot up into the air while voices howl “Us! Us!”. The draft cleaner takes over. Filling up over half a dozen jumbos (beer mugs), sliding them towards the servers as they scurry to get them to the customers. “Anyone else?!” He scans the room. Last call. No one else. He unplugs the machine.

“Phew!” — the dispenser (coupler) is released from the draft keg. “I called earlier this morning. There is no water in this sefer (neighborhood),” sighs the draft cleaner. He grabs two yellow plastic oil canisters filled with fresh water he got from elsewhere and begins pouring about two to three liters of water into the draft cleaning pot that holds a little over a gallon of liquid. He attaches the dispenser to the pot with a twist and a clasp, turns on the CO₂, and flips the machine faucet handle. The water from the pot pushes out the leftover brownish draft, flowing through the beer line out the faucet into a small pumpkin orange plastic pitcher the draft cleaner found lying about the bar. He dumps the mixture of draft and water into a tattered blue bucket the servers use for mopping on the ground.

It is time to add the cleaning agent. Clear goggles, black rubber latex gloves, disposable respirator masks, uniform, no uniform, work bib overalls. Peroxides, caustics, disinfectants, trisodium phosphates, chemicals measured out, mixed in a pitcher with cold water, hot water heated on stove-tops, kesel fires, poured out of tea and coffee
machines to clean the beer line. A shocking yet odorless smell permeates the area behind the bar. The female server wearing a Wala apron begins scrunching her face before falling into a coughing fit. “Zorbé (turn around)!” yells the cleaner. He pours the solution into the pot, lifting it, shaking it, back and forth, back and forth, “woosh woosh”. Dispenser reattaches, the cleaning agent seeps into the machine. It soaks.

4.3 The Draft Cleaner

From upscale hilltop dining to poor, dim, dingy restaurants that tightly fit ten people, from high-selling cheap government-subsided restaurants to spacious beer gardens, and in shanty bars, groceries, condominium drinking houses, hotels, malls, and siga bétoch (sit-in butcheries), draft cleaning is a complementary service provided by national breweries for all retail-outlets selling draft beer in Addis Ababa and select regions across the country. The draft cleaner, hired by the beer company and coordinated by distribution agents, performs anything from a simple sanitation of the beer line to a full factory clean\(^\text{10}\) on retail-outlet draft machines.\(^\text{11}\) Working anywhere from five to seven days a week, the draft cleaner’s halafinet (responsibility), as defined by cleaners themselves, involves preparation—bringing the proper chemicals and tools necessary for cleaning, and calling into retail-outlets to make sure the neighborhood has water and electricity. The act of cleaning is a variable multi-step process of removing

\(^{10}\) Full factory refers to the full disassembly and reassembly of the draft machine. Draft cleaning services offered depend on the distribution agent and the brewery’s cleaning policies.

\(^{11}\) Draft machines are either given to outlets by breweries through contractual agreements or owned/rented by individual outlets.
qoshasha (dirt) from draft machines in order to maintain the ṭaim (taste) of the draft beer.

It is through this process that draft cleaners demonstrate their aqim (ability) from which I argue they derive a position of distinction across drinking retail-outlets. And finally, the building of relationships with retail-outlets through the language of fiqir and megebabat, acts as a bridge between company market actors such as sales representatives, distribution agents, and retail-outlet persons.

4.3.1 Anticipating Breakdown: Machines, Infrastructure, and the Ever-Prepared Draft Cleaner

Retail-Outlet 1: The siga bet is bustling at 7:30. Servers are scurrying to tidy up the place by stacking up several six-foot-high shelves of 24-bottle crates (St. George, Bedele, Zebidar, HBSC (Heineken), Habesha, Ambo, etc.) filled with empty glass bottles of beer, mineral water, and soft drinks. I approach the bar sink and begin turning the water faucet knob a few times — nothing. At the corner of my eye, the draft cleaner shakes his head. He points towards the back of the bar. There are two large blue plastic 55-gallon barrels each filled to the brim with fresh water. That is our water supply.

Retail-Outlet 2: The draft cleaner is about to finish the machine service when the bar music abruptly stops. The draft machine’s fan dies out next. It’s a blackout. The draft cleaner sighs and turns to one of the drinking house workers, warning them about operating the machine before the electricity returns. Draft will not flow properly if this machine isn’t plugged in.

Retail-Outlet 3: “Don’t waste my oxygen! Bring your own!” says a visibly irritated bar owner complaining about the draft cleaner’s excessive use of his carbon dioxide tank during the cleaning process.

An unpredictable water supply, rolling blackouts, and carbon dioxide shortages are a few of many infrastructural breakdowns for which the draft cleaner must continuously prepare. Throughout my research, draft cleaners consistently emphasized
the important of preparation as critical to their jobs, listing it as one of their central responsibilities. This consists of carrying the necessary cleaning tools and agents needed to service draft machines, but most pertinently it means telephoning drinking houses before their arrival to learn whether or not there is running water, electricity, or carbon dioxide in the neighborhood. During fieldwork, I observed that draft cleaners exhibit a hyper-awareness, or acute sensitivity to such infrastructural breakdown because they are struggling to manage the disconnect between the machines they clean and the surrounding environment. Most draft machines, imported from Europe or China, are designed in and for countries where water and electrical infrastructure operate seamlessly and carbon dioxide is abundant and readily available. This is not the case in Addis Ababa where a single draft machine requiring 8-10 liters of water for cleaning becomes problematic for a cleaner operating in a neighborhood without running water, as does a fan generated ice box that begins to melt because of a several hour power outages, or even CO₂ canister that does not get filled because the beer factory did not produce enough carbon dioxide in a given week. However, the cleaner’s hyper-awareness of such infrastructural breakdown is not due to the abrupt, intermittent flows of water, electricity, and carbon dioxide, which is part of everyday life in Addis Ababa.

12 AbdouMaliq Simone, “Intersecting Fragments in Johannesburg” pointedly states that the “constant state of preparedness” or “a readiness to switch gears, has significant implications for what residents think is possible to do in the city” (2004: 424). The draft cleaner inserting themselves within a human infrastructure necessary for market life to exist assume this “constant state of preparedness” as they respond to the realities of everyday physical infrastructural breakdown.
but the introduction of an alien machine that makes those everyday disruptions not only visible but a highly anticipated obstacle to be overcome.13

Draft machines need water (lots of it). Water plays a key role, not only in the daily function of the machine, but its maintenance. However, in Addis Ababa, businesses not only have to deal with inconsistent water supplies, but like the siga bêt above, a multitude of shops do not even have an actual water line— the sink that I tried to turn on was merely a facade, there were no pipes connected to the city’s water system.14 Water is instead stored and rationed out in 55-gallon barrels for the day, with servers going out to find more as the supply diminishes. Neighborhood shops often assist each other by sending out a few people to collect water for everyone. For cleaning, draft cleaners require several liters of water to flush out the beer line which includes the stainless-steel line within the draft machine and polyethylene line that coils down to the dispenser latched on to the keg. If a bar does not have water (or adequate water pressure), the cleaner must bring his own. This usually means lugging over several buckets of water from another part of town where water is available. If the draft cleaner needs hot water, another problem arises as the majority of city drinking houses do not

13 Susan Leigh Star’s “The Ethnography of Infrastructure” notes that the “normally invisible quality of working infrastructure becomes visible when it breaks: the server is down, the bridge washes out, there is a power blackout” (1999:382). However, here the cleaner’s hyperawareness to infrastructural disruption does not arise from breakdown as breakdown, is a part of everyday life, but the introduction of an object— the draft machine— into a landscape for which it is not built.
have access it. Only mid-to-high end hotels possess the water infrastructure needed to fully meet the needs of the draft machine.

Electricity and carbon dioxide are also essential for draft machine functionality. Frequent rolling blackouts across Addis Ababa disrupt the operations of draft machines, especially newer models brought in by foreign beer companies. If not plugged in, the draft is not cooled properly and turns into arefa (foam), angering customers. For example, small draft machines with fans but no cooling box, or even a small cooling box, stop working soon after power disappears. There is a machine called a deep-fridge, which is an ice chest in which a draft keg is placed. These machines are often over 10 years old and were distributed when the majority of breweries were still state-owned.

With a deep-fridge, the draft keg can stay cold for days without electricity (no fan) and only requires minimal water for cleaning but these machines are rare, coveted for their limited water and electric demands. Carbon dioxide is used to carbonate and push draft through the beer lines for cooling before serving. For cleaning, it is used to push water and chemicals through those same lines. Carbon dioxide used by drinking houses is a

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15 In the absence of hot water, draft cleaners boil water over a stove top or coal fire in pots and tea kettles.
16 When working in an elite hotel, one draft cleaner praised the flow of water as it spilled out from the faucet, declaring that he has never experienced water that was not only so hot, but with pressure so powerful, neither in his home nor in any other retail-outlet he has served.
byproduct from the CPI units in breweries delivered to bars for free. However, deliveries are so unpredictable and sporadic that bars often take a sales hit while waiting for the carbon dioxide to arrive. This causes bar owners to become very possessive of their carbon dioxide, as seen above in Retail-Outlet 3.

“People as infrastructure” refers to “people’s activities in [African cities]” which “are characterized by incessantly flexible, mobile, and provisional intersections of residents that operate without clearly delineated notions of how the city is to be inhabited and used” by engaging “complex combinations of objects, spaces, persons, and practices” that are responsible for “reproducing life in the city.”

Through their incessant mediation of the draft machines and its needs within the reality of Addis Ababa’s infrastructural landscape, the draft cleaner becomes an integral part of the everyday activities of transferring, borrowing, and/or rationing water, electricity and carbon dioxide in the city. Draft cleaners are not only anticipating and responding to infrastructural breakdown, but are part of the human infrastructure needed for market relations centered around the distribution and sale of beer to function. It is through their management of the draft machine that draft cleaners are able to effectively enter into a system of bars and restaurants to conduct their daily machine cleanings.

4.3.2 Tasting Machines: Distinction by Expertise

Me: “How do you know when the draft is good, bezirizir (in detail)?”

Draft Cleaner: I don’t know. You just know when the taste is right. qaloch (words) cannot describe taste. It just requires a balemuya (expert); if you are a balemuya you know.

Over several months, I tried to become a draft balemuya, moving from draft machine to draft machine, smelling, tasting, seeing, and feeling the draft before and after each cleaning, trying to access the sensory knowledge draft cleaners found difficult communicating to me verbally. Overtime, I got better at quickly knowing if a draft line needed cleaning from the taste or even the smell of the draft poured out of the machine.

I also learned that the draft cleaner’s ability to taste, evaluate, and ultimately produce clean draft is the prime source of his distinction\(^\text{21}\) amongst retail-outlets in Addis Ababa. Paying attention to the synesthesia of color, texture, aroma, taste, and temperature to achieve company product standards, the draft cleaner demonstrates a sensory expertise, notably more scientific than creative in his evaluation of draft beer. To elaborate, for determining draft quality, the draft cleaner relies on three senses: sight, smell, and taste.

Draft cleaners always emphasize that a clean draft has a clear brilliant werqama color. With time, draft color becomes less vibrant and more viscous in texture. Expired draft and/or a soiled beer line has a foggy yellow color. When extremely dirty, draft turns into a milky brownish color, which cleaners describe as a zeyit (oil)-like color and texture.

Draft cleaners also note that foam bubbles should be lively and annular rather than

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listless and deflated, while the aroma of the draft should always be light and airy, never heavy and dense. Taste, meanwhile must be sweet, crisp, and precise as opposed to muted, flat, or at its worst gummy. Temperature should always stay cool enough to prevent arefa but never too cool—some draft cleaners claim it negatively affects the taste.

The draft cleaner’s integration and distinction, tied to his ability to evaluate and produce quality draft, is also connected to his privileged relationship with the machine through his expertise. That privileged relationship rests on particular knowledge of the machine that is as theoretical and classificatory as it is practical and general. A draft cleaner is aptly aware of the types, anatomy, and capacity of machines in the marketplace. The deep-fridge, dry cooler, and cooler are the three types of draft machines in Ethiopia. The cooler is the most prevalent machine provided by several beer companies, while chest and dry coolers are reserved to BGI Ethiopia. The cooler comes in many shapes and sizes but the anatomy of the cooler is always as follows: the refrigeration box (a mixture of water and ice), the stainless-steel beer line (which sits inside the refrigeration box), the thermostat and cooling line (which freezes the water in the refrigeration box), the agitator (a fan that keeps the water from freezing over completely), the compressor (the motor of the machine), the condenser (cools the compressor), and the beer tap (nozzle that pours out draft). Draft machines are linked to the keg by a polyethylene plastic beer line and dispenser which latches on to the keg as
well as a line leading to the carbon dioxide tank. The mechanisms for dry coolers and chests are less complex. With the chest, the draft keg sits in a deep fridge connected to a basic tap faucet head by a short one-meter polyethylene beer line. A dry cooler is the size of a large toaster oven, containing a fan and a stainless-steel beer line but no refrigeration box.

![Image](image-url)

**Figure 10: Inside view of draft machine parts**

It is the job of the draft cleaner to correctly identify and address the needs of each draft machine, depending on age, make, model, and environment, among other factors. They acquire such expertise through company trainings and everyday interactions with machines, learning the duration and capacity of each machine. For example, large four-year-old under-the-bar machines are capable of serving 8-10 bermel (barrels/kegs) per day, while smaller over the counter machines of the same age will do about 4-6 bermel per day. Other skills include how to best assess the conditions surrounding the
machine—indoor, outdoor, the season, and ventilation—to adjust the internal thermostats to maintain optimal taste, and measuring meters of polyethylene beer line needed through knowledge of machine size and distance from the keg. This information becomes useful to draft cleaners when determining which retail-outlets should receive which draft machines (i.e. high-volume versus low-volume retail-outlets, environment, etc.) as they are marched from bar to bar, grocery to grocery, restaurant to restaurant across the city. But also, it allows them to advise retail-outlets about issues like where the machine should be placed in a bar to avoid overheating or how often and aggressively does a particular machine need to be cleaned, based on age and usage. It is not uncommon to see draft cleaners encourage (or chastise) retail-outlet owners about their placement of a machine:

The bar owner, a middle-aged woman demanded that the draft cleaner get her a new machine because this one heated up too frequently. The draft cleaner points to the opening at the back of the machine saying that she should move it and not put stuff on top of it. Nefas yasfelgewal (it needs a breeze).

However, such daily interactions with machines often go beyond general knowledge and practical advice, expressing a more intimate enactment of expertise through fiqir and megebabat.

### 4.3.3 Fiqir and Megebabat: A Language of Love and Understanding

Draft Cleaner 1: “Yalefiqir ṭṣidat ayiseram.” [Without love cleaning does not work.]

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Draft Cleaner 3 (pointing the machine): Ingebabal in. [we understand each other.]

Over and over again, draft cleaners emphasize that one of their primary responsibilities was to never be antagonistic or aggressive but to serve retail-outlets with fiqir and megebabat. It is the draft cleaner’s job to foster love and understanding among himself, machines, people, and the brewery. This implies being able to patiently navigate a variety of human and machine personality types. As one draft cleaner said: “ye machine bahiri yeteleye new. Ye sew bahiri yeteleye new.” (Machine behaviors differ. People behaviors differ.). In Amharic, there are two words for behavior. First there is ṭsebay which refers to behavior as a disposition. Bahiri, on the other hand, refers to one’s core personality or character. A stronger word than ṭsebay, bahiri refers to the very nature of a person or thing. Cleaners says that each person and each machine they meet has their own character. It is the responsibility of the cleaner not only to recognize those differences but to respond to them with fiqir and megebabat rather than frustration and anger. The draft cleaner must avoid escalating conflict at all costs and create an environment of harmony for all people and machines.

Fiqir and megebabat is the affect by which the draft cleaner enacts his machine expertise. Draft cleaners express fiqir towards the machines through scheduled cleanings and maintenance, often going beyond their job— lovingly wiping down the machine’s facade, tidying up its surrounding area, and/or scolding the bar owner for getting it all
dusted up. *Megebabat* refers to a rapport that develops between the draft cleaner and draft machines over time through sustained daily encounters. This is what the draft cleaner above means when he says, *ingebabalin*, it is not man mastering machine, but man and machine coming to a mutual understanding that allows them to respond to each other:

> The bartender complains to the draft cleaner and the draft cleaner’s superior. The draft machine is pouring out small quantities of a leafy brown debris along with draft. The draft cleaner says they need to call the technician to change the beer line. The machine is beyond cleaning. However, his superior insists that the machine just needs another cleaning—turning to me and saying that this machine has worked a long time and just needs some extra care. I can see that the draft cleaner is visibly irritated but goes along with his superior’s orders. He gives it a second attempt only to have the same results. His superior is shocked declaring that they need to immediately tell the promoter\(^\text{23}\) about the machine. The draft cleaner smugly responds: “Of course it’s still coming out [debris]. I know this machine.”

When the draft cleaner says “I know this machine”, it is not the *learned knowledge* that is taught in classes or accumulated through experience. To know the machines is more similar to the French *connaître*, meaning having a familiarity with people and places. Here, however, it is a familiarity with a thing, the draft machine, and the ability to communicate and interpret its needs and wants. It is a deeply personal knowledge of a machine’s unique *bahirī*. The draft cleaner is annoyed by questioning from his superior because what is questioned is not his *learned knowledge* but *intimate knowledge* of the

\(^{23}\) Common usage for sales representative
machine, which develops through continued expressions of *fiqir* and *megebabat* formed through time.

With people, the principles of *fiqir* and *megebabat* are best understood in opposition to *leras tiqim* (self-interest). Draft cleaners often yet unintendingly contrast themselves with promotors and distribution agents who they complain only care about *shiyach* (sales) and *tirf* (profit):

While sitting in a small bar sparsely decorated with a few plastic stools, the elderly owner comes to complain about the promoter. As she leaves, the cleaner shakes his head and states: “It’s so sad to see a place like this open for over 30 years and they can’t even give them chairs. They have to buy their own tables and chairs. But promotors love money and when they see a new place that’s large, they give them a TV, chairs, tables everything! They need to find a balance in how they treat new and old customers.

Here, the cleaner is operating on a principle of loyalty to long standing customers, complaining that the promoter’s sole concern is money. The cleaner is calling for a more equitable balance in distribution of company merchandise across the marketplace just as he cleans each retail-outlet with equal attention. Again, another cleaner complains on behalf of a retail-outlet that rents its own machine and has not been given one by the company: “They’ve been good customers for 15 years and they still haven’t gotten a draft machine. The promotors in this area have a problem.” Draft cleaners advocating for small retail-outlets is a common practice I observed across the marketplace. Draft cleaners often oppose the money-oriented actions of promotors and distribution agents. This often leads to conflicting perspectives on how business should be done. However, it would be incorrect to view the cleaner as operating in opposition to other company
actors as they are often a complementary and necessary force in the marketplace. It is common to see the cleaner explaining to retail-outlet owners the inner workings of the company or try to help them solve their grievances with the company by helping retail-outlets navigate the maze that is company organizational structure. For example, in the following excerpt from my fieldnotes, the draft cleaner responds to a young female owner who has run out of carbon dioxide and needs the company to refill her tank:

Draft Cleaner: Did you call [xxx]?

Bar Owner: I have called [yyy]?

Draft Cleaner: Have you call [xxx]?

Bar Owner: No, I have called [yyy].

Draft Cleaner: No, it has to be [xxx]. He explains the hierarchy of power and that [xxx] is the person in power. He tells her that she needs to call this person because he is the one who can really get things done. He is the boss of the person who comes and visits her bar. She says okay I'll give him a call. He continues to tell her how the other person doesn’t really have as much power [teaching her about how the company works]. He uses “irswot” when speaking to her [a sign of deference].

Here the cleaner assists the retail-outlet owner in navigating the complex corporate hierarchy of a beer company which the grocery owner finds overwhelming. However, such actions not only strengthen the relationship between the grocery owner and the cleaner but between her and the brewery. Here, fiqir and megebabat, may run opposed to the money-oriented logic of the promoter and distribution agent but they mitigate brewing conflict between the beer company and retail-outlets, conflicts that may later escalate, damaging business relations.
Fiqir and megebabat exist for the self-interest of the beer company—and draft cleaner—at large. As one draft cleaner asserted: “fiqir ina megebabat lerasachin ṭiqim new” (love and understanding are for our own benefit). The “our” here exists on two levels. Firstly, the draft cleaner needs to get along in order to do his job or even be granted permission to enter the drinking house. There is no law in Ethiopia that states that retail-outlets must receive draft cleaners even if the company is providing the draft machine. Secondly, “our” refers to the draft cleaner’s parent brewery as their interactions with people on the ground have larger reverberating effects on how the company is perceived. In this way, the draft cleaner, through the act of cleaning, is integrated into market life (sira seat), despite operating within the realm of ṭsidat seat—cleaning up the mess the sales representatives and distribution agents leave behind.

4.4 Cleaning Under Pressure II: People, Machines, Environments

Furiously wiping away at the draft machine with maroon rags and light green sponges, up and down, side to side, in a circular motion, around the corners and crevices. "Doesn't she look pretty," says the draft cleaner gleefully. He unscrews the sides of the machine, exposing the motor before turning on a small leaf blower. “Puff". A cloud of dirt hurls out into the air. He turns the blower towards the bar lifting the dust off the dirty counter to the delight of the servers. He tosses the blower over to the bartender who redirects it towards the feet and skirts of the female servers, teasing them by clicking it on and off.
Side-by-side, shoulder to shoulder, the draft cleaner and bartender lather up the disassembled machine.

“I met my wife while cleaning a draft machine,” he tells me. “She was a server at one of my retail-outlets.”

The draft cleaner bends the beer line back and forth to loosen up the white discharge collecting at the rim (*nechinecha neger*). “Look they aren’t flexible,” he says. It is not a proper draft line just something the owner bought at *Mercato*.

The restaurant servers bring out a plate of *dulet* for the draft cleaner’s breakfast. He chows down, shoving fistfuls of food into the back of his throat as if he is competing in Nathan’s Hot Dog Eating Contest. He guzzles it all down with a Mirinda (orange soda).

He directs his flashlight into the murky draft water tank. Algae collects along the stainless-steel beer coil of the muddied water. “*Gétyé, ibákíh jóg sîtëhiñ*” (My lord, please hand me a pitcher)!” the cleaner shouts as the male server rushes over with one.

The cleaner pulls a blue tattered rag that fell into the machine. “What is this?” The owner brightens: “We’ve been looking for that! *Tefä* (It disappeared)!” With a clear plastic pitcher, he splashes cold water to melt the ice on the refrigeration line. The pitcher is ripped. He does a double take as water pours out of its cracked side but he persists. A short chubby lady, with braids wrapped up in a bun hands the cleaner a plastic canister, but when he lifts it, it too has water leaking out from the side. “Can you
give me something without qedada (breakage)?” he complains. “Hulum neger qedada new (Everything is broken),” she squawks.

Using a cimeter knife (curved butcher knife), the draft cleaner trims off the top of a long rubber hose, placing the other end in the draft machine water tank. He calls for a young soft-spoken girl with a friendly face. Directing her to put her lips on the hose, he tells her to blow into the tube to pump the water out of the machine. She tries three to four times with no avail. The draft cleaner takes over, wiggling the hose, repositioning it as it coils out of the machine. He tries again, blowing so hard his cheeks puff out. The draft water starts rushing through line into his mouth. He grimaces as he spits it out. The water continues draining.

4.5 A Brief History of the Draft Cleaner in Ethiopia

In Addis Ababa, draft cleaning is not a new practice, existing since the introduction of draft beer over sixty years ago albeit then a neglected and ancillary one. *Zimbelo* is the word cleaners used to describe cleaning practices in the distant and even recent past. The word is an adverb which is used to describe an action done without purpose or meaning (aimlessly or without consideration). The cleaners would say to me *zimbelo teseren* (we worked without meaning), meaning they cleaned without meaning. Each man would work *indefelegeh* (as he wanted). Draft cleaners state that prior to the complete privatization of the beer industry, draft cleaning was a directionless process in
which each man operated alone in a maze of urban bars and restaurants. One draft cleaner describes the chaotic beginnings of draft cleaning as follows:

When I started cleaning, it was comparable to *zemecha sira*. The company never gave us our equipment and chemicals on time. The draft wasn’t even pasteurized. Each cleaner would be dropped off at a random spot and you’d walk around looking to see which outlets had a draft machine. There were no tracking machines then. When I found a draft machine, I would announce that it was time for a yearly cleaning! Then I would clean [xxx] bars in a single day…Cleaning was like washing your face. It was a quick thing.

*Zemecha* translates as campaign. It is the work done by political organizers. For example, under the Derg communist government, youth were sent out to the rural areas of Ethiopia to propagate the state’s communist ideology. However, cleaners are not using *zemecha* in terms of a well-organized political campaign but ironically. They are referring to this idea of young ill-equipped youth being tossed into the wilderness to push a top-down agenda haphazardly with each man being left to his own devices. For them draft cleaning was *zemecha sira* because it was an unorganized isolating practice. It was not until the recent privatization of beer companies that draft cleaning would become a more systematized process.

### 4.5.1 “We Clean for Profit”

We clean for care! We clean for profit! *Ye denbeñayotch tirf!* [Our customer’s profit] *Yena tirf!* [Our profit] *Ye Agent tirf!* [The distribution agent’s profit] *Ye dirijit tirf!* [The organization’s profit].

With complete privatization of the beer industry, competition between breweries intensified and with it the expansion of draft cleaning services. Today, draft cleaning is no more just a *zemecha sira* but viewed as a profitable activity. Draft cleaners repeat time
and time again that yeṣidat ṭiqim (uses of cleaning) is that it removes the qoshasha (dirt/trash) and bacteria from the machine, fixing the ṭirat (quality) and ṭaim (taste) of the draft leading to more shiyach and tirf. This is the mantra of draft cleaners trying to convince outlets of yeṣidat ṭiqim. Rarely does the draft cleaner emphasize the health benefits of cleaning, but instead communicates this profitability argument, spreading the word, or as they say awareness, of the fact that cleaning equals better taste which in turn equals more sales and profit.

Over the past few years, draft cleaners have successfully converted outlets that now swear by yeṣidat ṭiqim although initially they pushed back at the draft cleaner’s claims:

“People get it now. Before they gave insults, especially the customers if you interrupted their drinking to clean. They didn’t like it when you interrupted them for even five minutes. Now they ask for the cleaning. Now they see levuṭ ale (there is a change). They see a change in the ṭirat (quality). Customers even look for the sticker on the machine to see when the draft was last cleaned if they think the taste changed.”

Outlets that embrace the draft cleaner’s cleaning philosophy welcome cleaning enthusiastically:

As dark liquid pours out of the machine, the cleaner tells me that this machine was very dirty and was in desperate need of a clean. Meanwhile, the bartender looks at me with glee: irigiteņna draft yetaņaț (I am certain the draft is tasty) and further jokes that he might have to go ahead and increase the waga (price) because the quality of draft has improved.

Still, not everyone is convinced of yeṣidat ṭiqim:

He says most places are aware of cleaning and welcome it but there are a few that don’t want you to come in because of sira, they are only concerned about the sanitim (coin).
The draft cleaner views those who reject draft cleaning as not receiving the larger message that cleaning does in fact lead to greater šiyāḥ and tirf. Instead, they are behaving myopically—overly concerned with collecting coins—not embracing the idea that ṭsidat is just as important as sīra in generating profit in the long-term.

However, throughout my research, I found that many people could not actually taste the cleaning, let alone the differences between draft beer brands:

On a horizontal table sits a line of draft machines: Meta, St. George, Dashen, and Walia. It is lunch time and workers line up to order draft. Each man gives his order, but the bartender ignores their requests. He instead gives them his preferred draft beer. Eventually, one customer accuses him of not giving him the right beer, but the bartender quickly convinces him otherwise. When the last customer leaves, I ask him why he is giving them the wrong draft beer. He lets me know he feels bad for the said brewer because they do not sell so he sometimes gives customers their draft instead of the more competitive brands. The customers cannot tell the difference.

When pressing draft cleaners and drinking house staff on the issue (I would bring up this story and others), I would get a number of responses. Some would still insist that most people can taste the difference between draft beers. Others would admit that customers were not really draft experts. One bar owner, after touting yešidat ṭiqim, in the same breath told me that Ethiopians are not “draft connoisseurs” contradicting himself. When I pushed this contradiction, in his case and others, I would mostly just get blank stares or be ignored. One cleaner told me maybe 2/10 people can distinguish shifts in the draft taste, while others claim that bar regulars can tell the difference but people who move from bar to bar cannot tell if something is off with the machine. Overall, a consensus is lacking on the claim that people can tell the difference of cleaning.
Nevertheless, whether or not individuals can actually taste the difference, the logic that cleaning = better taste = more sales = more profit is a pervasive idea that is gaining traction on the ground across outlets in Addis Ababa. Even beer company sales representatives and distribution agents who viewed draft cleaners as a company expense in the past are arguing that there is a positive correlation between more draft cleaning and sales. As stated in the opening quote, yeşidat tiqim is viewed by the draft cleaner as being for the benefit of all, from the customer to the outlets to the distribution agents to the beer companies themselves, and they are steadily convincing everyone else as well.

**4.6 Cleaning Under Pressure III: Bodies and Environments**

Time. The draft cleaner flips the tap faucet up and down, up and down as a mixture of chemicals and water pours out of the machine until all that is left is the “fizz” of carbon dioxide. He unhooks the dispenser from the pot. An overwhelming skirl echoes through the room. The room goes quiet and everyone stares. The cleaner goes over to the bar sink and fills up the pot with a few liters of water. “Swish swiss,” he shakes the pot before dumping the water onto the dirt ground and refilling. He reattaches the dispenser and runs clean water through the draft machine to flush out any remaining chemical residue on the beer line.

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24 In Ethiopia, companies are generally protective over their market data and will not share it. But for cleaning, in a given territory, some high-volume outlets initially selling 25-30 draft kegs a week moved up to 60 draft kegs a week a few months after cleaning began. There is no evidence for a causal relationship but this correlation is taken seriously.
It is now 11:30 am. The outlet is filling up with customers demanding draft. The agitated female server politely but impatiently calls to the draft cleaner “Abaté yeqoyal? (my father, will it be awhile)?”.

Why is this machine producing so much arefa? The cleaner and server debate. Carbon dioxide pressure, internal thermostat off, broken tap gauge. “I called you yesterday to discuss but you didn’t pick up,” accuses the server. “Sorry I was taking a test,” the draft cleaner responds.

The draft cleaner places some dishwasher soap on the area where the carbon dioxide tank connects to its gas line. It bubbles, exposing a leak. The bartender hands him a roll of Teflon tape, while the owner watches nearby. Wrapping the tape around the exposed area, the draft cleaner seals the corner. Before leaving, he shows them how to properly read the tank gauge and tells them a horrific story about a non-secured carbon dioxide tank that a bartender knocked over causing an explosion — the canister rocketing through the air, injuring the bartender and destroying the outlet in seconds.

A tiny chip falls out of the machine. “That’s what’s been causing the arefa!” says the draft cleaner. The owner gives a satisfying grin.

A drop of phenolphthalein into the glass of water. Colorless. “Ye mefəleg derejaaderesenal (We have arrived at the stage we want to be),” declares the draft cleaner.
He takes the water used to rinse the line and dumps it into the bar sink, the
bathroom sink, a small sinkhole behind the hotel shed, out into street pavement, not
beneath the floor panels as it might attract mosquitoes.

4.7 Rituals of Development: A Re-Reading of Mary Douglas’
Purity and Danger

Social rituals create a reality which would be nothing without them. It is not too much to
say that ritual is more to society than words are to thought. For it is very possible to
know something and then find words for it. But it is impossible to have social relations
without symbolic acts...For us, individually, everyday symbolic enactment does several
things. It provides a focusing mechanism, a method of mnemonics and a control for
experience.25

Douglas’ definition of social rituals offers insight into temporal, material, and
symbolic dimensions of ṭṣidat. For Douglas, the rituals of daily life are structural-
symbolic practices that act as 1) a “focusing mechanism” or “frame” that mark off a
temporal space and reality, 2) a “method of mnemonics” that can “enliven memory” and
3) an attempt to control an experience by linking it to present, pasts, and futures.26 In this
section, I apply Douglas’ logic of ritual to the market, examining ṭṣidat seat as a temporal
space for ritual cleaning and the material practices (i.e. stickers) and symbolic
associations (i.e. development) that connect ṭṣidat with aspirations for shiyach and tirḥ in
the marketplace. However, I also extend her definition of ritual by analyzing its affective

26 Douglas, 77-78
dimension through her concept of dirt and what I call contamination, not to be confused with Douglas’ work on pollution and defilement.

4.7.1 Tšidat Seat versus Sira Seat, Stickers, and Underdevelopment

Throughout my research, local merchants often described tšidat seat in opposition, but not opposed to sira seat. As discussed, tšidat seat includes early morning cleaning and preparatory activities, but also intermittent cleaning punctuates sira seat throughout the day during sales lulls and well into the evenings after outlets close for business. Sira seat is the period of the day marked by buying and selling goods in the marketplace. For the owners of restaurants, groceries, restaurants, bars, and hotels across Addis Ababa, the buying and selling of sira seat cannot exist without meticulous preparation of tšidat seat. However, in the minds of these owners tšidat and sira have their designated temporalities despite these periods not being fixedly defined. Tensions often arise when draft cleaners transgress these two temporalities. The number one complaint I heard from owners, bartenders, and servers was that sometimes the draft cleaner did not come on time. Sometimes he showed up during sira seat. During fieldwork, the draft cleaner and I would occasionally enter an outlet near lunch hours and owner and staff would become agitated—sometimes outright angry—at the sight of us, yelling: “Gebīya alen!” (We have sales!). “Sira seat new!” (It’s work time!). “Nege temelesu!” (Return tomorrow!) When draft cleaners appear during sira seat, drafting cleaning interferes with sales because it puts the draft machine out of commission. In
order for cleaning to be effective (profitable), it must be done in its designated time. Otherwise, the promise of tirf becomes voided.

It is not only the time of cleaning that matters to outlets, but the material conditions or physical markers associated with the act of cleaning. The material state of clean is achieved by addressing the foreign elements of qoshasha and bacteria which pollute the draft. Qoshasha refers to visible dirt or debris that comes out of the machine after cleaning, while bacteria are an unseen substance said to affect taste. The draft cleaner must rid the machine of both to meet draft standards. Although varying by company, a cleaning procedure is followed using both a chemical agent and water to sanitize the draft machine. When cleaning is too short or too long outlet persons might get suspicion of the draft cleaners. But more than this, a sticker, slapped on the draft machine, signed and dated after cleaning, is critical:

If we don’t put on the sticker it was like we were never even here. If anything goes wrong, they will look at the machine and call us, saying that the ṭṣidat qen (cleaning day) is off. He tells me that he sometimes writes in the Ethiopian calendar dates while other times he uses the “normal” calendar, but no matter what he cannot forget to put on the sticker, stating that even if the bar server sees him clean and walk out, they will act like he was not even there if there is no sticker. The sticker is a mandatory marker indicating the completion of ṭṣidat—a stamp of approval. Its absence nullifies the entire cleaning process. If there are any customer complaints, owners and bartenders will refer to the sticker to see if the machine was recently cleaned. Some customers have even become more aware of the sticker’s presence, going up to machines and inspecting dates before drinking draft. Often, more
than the act of cleaning itself, the sticker signifies that machine and draft are clean—not only as a symbol that the act of cleaning was performed and completed in its fullness, but an expert certification of draft taste.

Through cleaning, draft cleaners are trying to support a future where retail-outlets and brewery will profit, chiding those who are obstacles to such aspirations. Those outlets that have not fully embraced rituals of cleaning are often addressed through a language of backwardness. Working on the outskirts of the city, draft cleaners would often associate a retail-outlet’s lack of cleaning with underdevelopment and their staff as needing timhirt (school). These bartenders and servers are seen as negatively affecting the taste of draft by dirting up the place:

The draft cleaner lifts the lid off the machine and dumps out the water. I count several beer and soft drink caps, a heart shaped pendant, a ring, coins, and a pair of small keys along with dirt and pieces of paper that come pouring out. The cleaner turns to me: "There is nothing we don't find [in this area] half eaten pieces of bread, lemons, full beer bottles…"

Another cleaner states:

A superior asks Cleaner A if Cleaner B actually serviced a machine. Cleaner A adamantly states that he saw Cleaner B clean. The superior is not convinced saying that Cleaner B had cleaned his first three lines properly but the fourth was dirty, arguing he must have gotten tired. Cleaner A defends him saying that sometimes they clean and a bartender or server will mess it up immediately. Cleaner A turns to me and says he once changed the water in a machine and when he went to put the lid back on the machine the bartender was washing dirty cups in the machine’s newly cleaned refrigeration box. He declares: sew gena new.

To say a person is gena (literally translated as “yet”) is to say they are not ready. Another similar word is albeselem (they are not cooked). Those people that are gena have not come
to fruition yet, they lie dormant in their ways. Outlets’ profitability is continuously threatened by “dirty” owners, bartenders, and servers. This is not limited to draft machine neglect. For example, bartenders and servers will sometimes serve beer with a filthy cup. Draft cleaners will often respond by giving short tutorials on how to keep cups clean, pointing at the bubbles which are concentrated at the corner of a dirty glass saying “You see!” “You see!” Draft cleaners advise in all aspects of bar hygiene from telling owners to throw out spoiled draft to showing them how to cover up the nozzle of the draft machine to keep zinboch (flies) from flying into the tap. The lack of a proper cleaning ethos signals underdevelopment, and there cannot be profit with underdevelopment.

### 4.7.2 Dirt and Contamination: Failed Rituals of Aspiration

“When we honestly reflect on our busy scrubbings and cleanings in this light we know that we are not mainly trying to avoid disease. We are separating, placing boundaries, making visible statements about the home that we are intending to create out of the material house.”

For Douglas, the ritual of cleaning is an act of bringing order to the world. However, draft cleaners are not merely maintaining order, but transforming the marketplace. Ṭṣidat become a site where the “personal and interpersonal”28 collide as draft cleaners, outlets, and breweries find themselves entangled in a set of volatile

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27 Douglas, 85.
affective relations in which subjects, objects, environments, and bodies collide and unravel as intimate economic relationships are built, rebuilt, and undone through an idiom of clean, dirty, and contaminated. Such encounters are not powered by reason but the desire to sell beer.

One way to better understand the affective dimension of draft cleaning is through Douglas’ characterization of “dirt”. For her, cleanliness is about respecting “boundaries” and “classifications”, while dirt is a disruption of that order. She defines “dirt” as “matter out of place.”\textsuperscript{29} It is a “residual category, rejected from our normal scheme of classifications.”\textsuperscript{30} It is ambiguity, defilement, and pollution:

“Defilement is never an isolated event. It cannot occur except in view of a systematic ordering of ideas. Hence any piecemeal interpretation of pollution rules of another culture is bound to fail. For the only way in which pollution ideas make sense is in reference to a total structure of thought whose keystone boundaries, margins and internal lines are held in relation by rituals of separation.”\textsuperscript{31}

For Douglas, dirt is a source of danger as it transgresses boundaries. However, in my research, dirt is not merely “matter out of place”. The presence of dirt signals inchoate negative sentiments and feelings brewing between outlets and beer companies over the fact that the aspirations for \textit{shiyach} and \textit{tirf} are not achieved. Dirty draft is linked to poor draft sales, literally. For example, cleaners often tell me that the machines that have the lowest sales are the ones that get dirty the quickest. If the machine goes through the kegs

\textsuperscript{29} Douglas, \textit{Purity and Danger}, 36.
\textsuperscript{30} Douglas, 45.
\textsuperscript{31} Douglas, 51.
at a lower frequency than its capacity, the beer line will dirty quickly as draft sits for too long on the beer line and curdles. Places that go through one *bermél* a week might develop mold from the lack of movement through the lines, compared to companies that go through several *bermél* a day, as draft beer continually flows through the lines, signifying smooth active market relations.

However, dirt is also associated with the failure of draft cleaners to clean regularly, hence an abandonment of their ritualistic obligation necessary for market success. Beer companies that fail to clean their draft machines regularly are often despised by outlets. If a company does not clean, their *miirt* (brand) suffers and *rasachew yegodalu* (they hurt themselves). Dashen and Meta beer are two brands that are especially critiqued for their lack of cleaning presence, as an owner declares: After a long time, someone ordered two jugs the other day. Dashen has all these promotions but what good is it if they don’t come to clean. This process often leads to bar owners halting the sale of Dashen draft, even when customers request it:

The bartender once told me that disguised Dashen promoters came around asking for Dashen draft. The bartender gave them [xxx] instead. The promoters got angry and said why did you bring us [xxx], we ordered Dashen! They then threatened to take the machine away. The bartender responded go ahead and take it. No one drinks draft from it anyway.

The company that does not clean does not have a good relationship with outlets because they are viewed as negatively affecting sales. The inaction of these breweries is viewed
as being in bad taste through their failure to meet social obligations of maintaining the

taste of draft.  

“Dirtied” relationships do not only result from the brewery’s failure to clean, but

from the outlet’s rejection of the promise of shiyach and tirf. One draft cleaner recounts

his troubled interactions with an outlet owner to myself and a bartender:

I would come in every week and the guy would find a new excuse not to let me

in. Either there was no water or no electricity or even no carbon dioxide. I even

had the promoter come speak to him and he was still unwilling. Finally, one day

he yelled at me and said [the brewery] has not done anything for him. ‘They

haven’t given me any chairs, tables, or fridges. Why should I help them?’”

The bartender responds: “qım yazo” (he has a grudge). The owner should not be

mad at you because he did not get along with the promoter. He wanted revenge

through you because “be and ayin ayatchu” (saw you both with one eye).
The owner did not see the relationship between himself and the beer sales representative

as productive in the marketplace; therefore, he rejected cleaning— purposely choosing

to keep his machine dirty, denying access to his bar, and refusing to foster a relationship

with the brewery. Another example of this is in the retail-outlet practice of dismantling

and reassembling draft machine parts. In one restaurant, I noticed that a draft tower,

covered in tape, was one company’s machine being used to serve another company’s

draft. When I asked the bartender about it, he said: “[The company’s] people don’t even

notice when they come by. They aren’t even looking for their stuff.” It is not uncommon

to see switched tap lines or even the serving of one draft through another machine

although companies have started using different dispenser sizes to prevent this from happening. Usually outlets will do switches in the evening when there are no beer company employees around. However, in this case, it is the company’s failure to account for its draft machine that creates apathy between the brewery and the outlet. If the machine is “dirty” the parts might as well be given to another company that actually cleans, that actually sells and turns a profit.

Unlike dirt, contamination is a corruption that stems from the very act of cleaning. Dirt exists within the absence of clean and can be reversed through cleaning and increased draft sales, but contamination signifies that which cannot be rectified; it is a perversion that arises from a cleaning gone wrong. Contamination is marked by suspicion and kis (accusation). The word kis also means to sue. At the center of such accusations is “the chemical,” which outlets accuse draft cleaners of using to poison customers—whether accidentally or intentionally. Whether a “chemical” was or was not left behind, outlets will excommunicate draft cleaners if they view their attempts to clean (sanitize) the beer line as an act of poisoning. As one owner told me: “[The brewery people] left a chemical taste in the machine so we kicked them out!”. This constant fear of contamination causes outlets and customers to question draft cleaners:

After we finished cleaning, the bartender asks me to take a taste. I say no thank you. I already drank a draft at the other place. He looks at me and half-jokingly says besheta new (is it diseased)? I responded by saying the draft cleaner tasted it but the man is not convinced. He laughs saying that he didn’t drink enough. One draft cleaner presents another story:
He had just cleaned a place and left to go to another. Soon after he got a call to return to the last bar. It was emptied out. The customers were suspicious of what he had done to the machine. He had to drink from the machine to appease the remaining drinkers before returning to work. Draft cleaners always tell me that people will not drink from a cleaned draft machine unless they see the draft cleaner drink first. It is proof that the line is not contaminated and draft cleaners are not enemies posing as friends.

4.8 Cleaning Under Pressure IV: “It’s Sira Seat!”

“At this time you clean!?” yells an angry owner.

The cleaner presses down on his wrench, but the draft tap faucet will not screw off. Reassessing, he grabs a tooth pick and begins to scrape its crevices, scratching off deposits of dirt and rust. It releases: the connecting screws, the handle, plunger, the gauge, valves, and the faucet body.

Figure 11: Disassembled draft faucet
He detaches the dispenser and places it on a deep silver baking pan along with
the tap faucet parts. He lets them soak in soap and water, lifting each piece for a
scrubbing. After drying the parts, he uses his fingers to grease the them with Solo (a
knock off of Vaseline) borrowed from the female bartender simultaneously using it to
moisturize her lips.

“Don’t let anyone in here but me,” says the cleaner. “I know, I know,” says the
elder female grocery owner. “I know you.” [in reference to thieves posing as draft
cleaning technicians attempting to steal dispensers and sell them on the black market].

The draft cleaner attempts to reattach the dispenser to the keg and carbon dioxide
line but it does not fit. He looks around accusingly. Soon, two female servers carrying a
newly delivered beer crate walk in and hiss at him. The one closest to him smacks his
butt, cursing him to get out of the way.

He reassembles the tap: the gauge, handle, the faucet body. The tap faucet will
not screw back in. The draft cleaner tries to shove it in four more times. I smugly think I
can do it because my fingers are smaller. It does not work. This is not his bar. He is
filling in for another cleaner on vacation.

The tap faucet slides in. Everything is done. The draft cleaner plugs the machine
back in. The fan turns on. The draft pours out. The color is a vibrant gold. The smell
clear. The taste sweet and crisp. He slaps a sticker on the side of the machine—signing
4.9 Conclusion

Across bars, restaurants, groceries, and hotels in Addis Ababa, draft cleaners are performing rites of aspiration and prosperity. The ritual of draft cleaning is an incantation to summon more profit and sales. It is an embodied everyday practice that reproduces and transforms an invisible network of market-related preparedness and cleaning, but it is also a performance of expertise to assume a position of prestige within that system. Advocating for profit and wealth through an ethos of cleaning, draft cleaners lubricate the way for other corporate actors to embed themselves within the local beer market, while draft cleaning becomes imbued with meaning as idioms of clean, dirty, and contamination signal, reveal, and generate deep seeded feelings of friendship, neglect, and betrayal in the marketplace. Through the draft cleaner, beer companies have injected themselves into the ritual-infrastructure everyday life, tsidat seat, with the aim of unmaking and remaking sira seat, market life, or more specifically, the buying and selling of beer.
5. Technosystems of Production: The Politics of Optimization and Breakdown in National Breweries

Before visiting the brewery, my tour guide, an appointed factory engineer, scientist, or technician, gives me a safety briefing. He hands me a yellow hard hat, an orange reflector vest, clear goggles, and a pair of foam ear plugs that were not available to visitors just a few years prior. My shoes are inspected for appropriateness, no flip-flops, before I am approved to begin the tour.

We walk past an indoor storage space filled with bags of imported sugar (Guarani) from Brazil and malt barley from local producers (Assela and Gondar Malt) as well as international producers (e.g. Soufflet Group). The malt barley is moved and stored in several giant silos or grain storage facilities before undergoing a pre-milling process. Inspected for quality, it goes through a multi-step mechanized system of removing dirt, dust, stone, and other unwanted particles from the grain. The tour guide gives me an example of a woman preparing to brew tella (indigenous beer) to better visualize the process, describing how she would manually inspect the grain, blowing off dirt and dust with her breath and picking out the stones with her hands. Instead, in the factory, the malt barley automatically moves up and down a system of stations—magnets, blowers, and sifters—located along a vertical staircase adjacent to the silos for inspection before being directed to a milling station, in which the malt barley is run through a mechanical hopper that grinds and crushes it into grist.
Next, we visit the brewing house. It smells like bread. The grist from the milling station has been transferred into the mash tun vessel. It is combined with treated warm-to-hot water, never boiling, to begin a process of breaking down the grist’s complex sugars (starch) into simple sugars (glucose) as well as removing unwanted proteins. This mash mixture soaks for anywhere between 1 to 3 hours before being transferred to the lauter tun vessel (or mash filter) which sieves the liquid (sweet wort) from the grist byproduct, which is collected to be repurposed—sold to locals as horse and cattle feed. There is no waste in this factory. The wort liquid is then automatically sifted out into the wort kettle where it is brought to a boil and combined with hops\(^1\), additional sugar, or even caramel coloring. The boil sterilizes the mixture for 1 to 3 hours before moving to the whirlpool vessel for cooling and the removal of any remaining solids from the mixture. The sweet wort liquid is then transferred through the heat exchanger over into the fermentation station. Finally, the fermentation (yeast producing CO\(_2\) and ethanol) and conditioning (resting and further carbonation) processes take 10-15 days before the beer goes through a filtration system to remove any remaining unwanted yeast or particles.

The tour guide tells me: “We do not run a batch system, but a continuous process.” Walking me over to a supervisory room, he reveals a computer lab filled with

\(^1\) The hops used in Ethiopian factories are imported from giant retailers in Germany, Czech Republic, United Kingdom, and France to just name a few. Local hops, known as gesho, are not used to produce commercial beer only indigenous beers.
scientists and engineers overseeing the entire production process. It is an automated system. They just supervise—watching, recording, and recalibrating, if necessary—as the machines independently move from one step to another. We leave the room, moving back into the physical factory space—a sanitized maze of stainless-steel pipes, tanks, control boxes, and alarms connecting an assembly of machines. Before renovations, the space was filled with butterflies, denizens, now gone. In their place sits a giant clean-in-place (CIP) system. Water flows into the pipes washing the inside of the process equipment as beer simultaneously flows out. There is no need to manually dismantle the machines for cleaning. In another corner, there are electrical systems and generators to power the brewery when electricity goes out as well as CO₂ tanks for beer carbonation, and also to distribute to agents who deliver CO₂ to bars, groceries, and restaurants serving draft beer. Finally, a water treatment center purifies water from the brewery using sand filters and bacteria (aerobic and anaerobic) as well as caustic or hydrochloric acid (HCL) to correct pH levels.

The beer is now ready for packaging. At one end of the brewery, recycled glass beer bottles, and kegs move through the packaging lines, respectively. Thousands are packaged into a washing machine using steam, water, and caustic to sanitize the used bottles and kegs before they are transferred to an x-ray machine that inspects for damage (i.e. chipped bottles)—a job, in the past, conducted by a day laborer. The bottles
and kegs are then filled with beer, capped if a bottle, and pasteurized². Bottles are labeled by a machine working at a rate of 35,000 to 45,000 bottles per hour before being placed in 24-bottle crates that are carried onto trucks by laborers for delivery, first to distribution centers, and then to the bars, restaurants, groceries, and hotels across the country.

From the time I began my preliminary research in the Summer of 2014 to the end of my formal research in the Spring of 2018, I would periodically tour the ever-changing landscape of Ethiopian breweries. Over the past few years, multinational alcohol companies have completed massive renovations of Ethiopian breweries, in some cases completely revamping the space of the factory, while others built new breweries from the bottom up. When speaking to a technical manager at one company, he states:

“We have almost renewed I would say 85 to 90% of the material which was in the factories. Step-by-step, we have changed. We have computerized and automatized. We have most of our system, from boiling to filtration to bottling, under a supervision system, meaning operators are in front of the computer and operating most of the activities from the computer in the supervision room. [Since we have arrived], almost all the materials have been renewed…It is all going according to the needs of the market. We are just following the demands of the market…”

Dashen, Castel (BGI), Heineken, Diageo, Habesha, Raya³, and Zebidar⁴ are all going through the process of building state of the art breweries, investing in the latest equipment to meet market competitiveness. The original state-owned breweries— St.

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² Some companies do flash pasteurizing before bottling.
³ Raya beer is now a subsidiary of Castel (BGI).
⁴ Castel (BGI) bought 60% of Unibra’s share of Zebidar in 2018.
George Brewery, Meta Abo Brewery, Bedele Brewery, Harar Brewery, and Dashen Brewery—have all undergone renovations to some extent. Since the first privatization in 1998, several factories have also been built—BGI’s Kombolcha Brewery, Habesha Brewery, Heineken’s Klinto Brewery, Zebidar Brewery, BGI’s Hawassa Brewery, Dashen’s Debre Birhan Brewery, and the Raya Brewery. These breweries are state of the art factories, competitive on a global-scale, and not technological spaces that are perceived as negative, lacking, or backwards (i.e. “African”).

5.1 Chapter Argument

In his Behemoth: A History of the Factory and the Making of the Modern World, Joshua Freeman declares that “the factory still defines our world” despite its decreasing visibility in everyday life in many developed nations. From cotton and steel mills to Ford’s automobile assembly lines to the industrial parks in the developing world, the factory is an integral part of modern economic history. According to Freeman, the factory has captured the imagination of many across a spectrum of political economies from capitalist to communist regimes—integrated and unbundled—simultaneously associated with the benefits of social engineering, material prosperity, and economic progress as well as the pitfalls of labor exploitation, alienation, and despair. In Ethiopia, newly constructed breweries also capture the imagination of a general population with

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hopes for development. For them, a brewery is just one aspect of a government
industrialization policy that places the factory at the center of its national development
agenda, managing the construction of industrial parks, textile mills, cement plants, etc.,
to create jobs but also to facilitate technology transfer that might spur backward
linkages.7

This chapter investigates a less ambitious problem of examining the brewery as a
site of capitalist production.8 With privatization, multinational companies have
reorganized the space of the brewery, introducing innovative technologies, organization
structures, and disciplinary mechanisms to meet the productive needs of capital.9 These
new technologies have led to the supremacy of commercial beer as it floods into market
ultimately leading to the creative destruction10 of local indigenous alcohols such as መላ.
I argue that the breweries in Ethiopia have been reorganized into technosystems of
production, meaning a factory regime in which labor is not organized around the
physical act of brewing, but the monitoring and management of technology systems for
process optimization as well as, most importantly, the anticipation and prevention of
machine breakdown. Over the past several decades, anthropologists have critically

7 See Introduction and Chapter 7 for more thorough discussion of industrialization in Ethiopia.
8 I do not look at macroeconomic policy in this chapter. I am instead interested in the socio-cultural
dynamics and labor politics underpinning the massive technology transfer occurring within breweries and
the effects of integrating of global backward linkages (suppliers and sub-suppliers) into this system.
9 David Harvey, Seventeen Contradictions and the End of Capitalism, Reprint edition (Oxford: Oxford
University Press, 2015).
10 Joseph A. Schumpeter, Capitalism, Socialism, and Democracy: Third Edition, unknown edition (New York:
Harper Perennial Modern Classics, 2008).
analyzed the factory as a site of conflict. Building upon this research, I analyze brewing modes of production through the technosocial life cycles of machine maintenance, breakdown, and repair. In this way, the logics of capitalist industrialization manifest not only through visible modes of production, but invisible yet contested modes of maintenance and repair (i.e. what is visualized as a seamless productive process is actually one that is riddled with machine malfunction and failure). For breweries (or beer factories) to function, production, technical, and maintenance departments work in collaboration. Further, with increasing automation, technical and maintenance departments have become more prominent in orchestrating the production process through an increasingly independent machine infrastructure. In the brewery, modes of production are as situated within modes of maintenance and repair as modes of maintenance and repair are situated within modes of production—mutually inclusive and essential to shaping the technosocial life of the factory.

The following pages are divided into eight sections exploring the brewery through its technosystems of production. Integrating Systems: Technology for Capitalist Production illustrates how the space of the brewery has become a complex system of machine technologies that demand labor be organized into supervisory regimes

monitoring for production optimization opportunities or anticipating machine breakdown. *On Maintenance and Repair* examines how breakdown becomes a site in which the technosocial systems governing factory life are contested and reproduced. *Act of Repair* is an ethnographic retelling of an event—the disassembly and reassembly of a labeling machine. *The Ball Bearing* introduces the primary object from the previous section—the ball bearing. *The Life of the Bearing* examines how conceptions of breakdown inform brewery maintenance practices. *Interpreting the Bearing* explores the discursive practices underlying maintenance and repair strategies. *Repairing the Bearing: Issues of Translation, Masculinity and Race* analyzes how relations of power and identity play out within the brewery. Finally, *Repairing the Bearing: Rethinking Expertise*: explores the value of knowledge, improvisation, and “cleverness” in the brewery. Each section builds an image of the technosocial life that disrupts the “timelessness of technology” that is assumed in theorizations of the factory production.

### 5.2 Productivity, Standardization, and Optimization: Technosystems of Production in Local Breweries

In Ethiopia, breweries are undergoing a shift in the political and ideological basis underlying their production process with multinational companies systemically organizing the space of the factory to meet the needs of capital. In his *Politics of Production: Factory Regimes Under Capitalism and Socialism*, Michael Burawoy describes

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what he calls “factory regimes” or the “distinctive political and ideological apparatuses of production which regulate production relations.” The brewery is moving from a period in which industry was more or less regulated by the state-owned companies, with a few private companies, to a totally privatized market, opening it up to multinational companies (i.e. competitive capitalism). Today, technology and labor are being reorganized to meet the demands of the market as the brewery has become an automated site of unbundled production. Such technosystems of production are managed by an army of expert scientists, engineers, and technicians, local and global, that surveil machines for opportunities of optimization as well as for the prevention of breakdown.

Technology is organized in ways to improve brewing productivity (production quantity) and standardization (production quality) in order to flood the market and meet consumer demand for the beer commodity. Ethiopian breweries are producing more beer than ever. It is reported that Heineken breweries has a capacity of 4 million hectoliters (hl), followed by BGI Ethiopia 3 million hl, Dashen 3 million hl, Habesha 1.5 million hl, Meta Brewery 1.5 million hl, Zebidar 350,000 hl, and Raya 1.2 million hl; however, this is still not enough to meet the consumer demand of 20 million hl. This

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15 More moderate estimations provided to me by The Ethiopian Food, Beverage, and Pharmaceuticals Industry Development Institute, in October 2017, place brewery production capacity per year at 3 million
expansion has occurred at a rapid speed. BGI, for example, produces three times more hectoliters than it did in the mid-2000s, while Heineken, despite its recent completion of the Klinto brewery in 2014, leads in national production capacity. Each brewery is trying to get a foothold in a market in which consumer demand is not yet met, buying the latest equipment to brew beer at a quicker rate for an edge over their competitors. With these changes, the act of brewing has become a site of vigilant monitoring for any problem that might affect the seamless flow of production in regards to machine productivity and/or standardization. Technicians, engineers, chemists, environmentalists, and biologists are organized around a supervisory system that accounts for deviations within the production process (e.g. input quality, temperature, pressure, flow, etc.) correcting and calibrating for any issue that might affect the final beer product as well as looking for opportunities to improve these processes.

To achieve productivity and standardization goals, multinational companies enlist diverse machine technology suppliers and automation monitoring systems that integrate the brewery into a seamless technosystem of production. Within the space of the brewery, there are a diversity of suppliers or machine manufacturers. In a single plant, there can be anywhere between 15 to 30 different suppliers responsible for

hectoliters (Heineken Breweries), 2.5 million hectoliters (BGI Ethiopia breweries), 900,000 hectoliters (Meta Brewery), and 350,000 hectoliters (Zebidar breweries) with data lacking for Habesha, Raya, and Dashen beers.
different aspects of the production process. Some common suppliers include KÜNZEL (malt storage silos, grist mills, and pre-milling systems), Meura (milling, mashing, wort kettle, fermentation), Pentair (valves and filtration systems), Krones (packaging), RENNER (labeling), AERZEN (blowers and air vacuums). Each supplier machine is a separate entity, in itself, each with its own motioning systems that collect data on flow, vibration, temperature, pH, pressure, etc., and integrated alarm systems to protect productivity, standardization, and labor safety. To connect disparate suppliers, breweries contract a sub-supplier that can integrate machine equipment across the factory into a single monitoring system. For example, some breweries employ the services of Montelektro, a Croatian Engineering company that provides technical solutions for a variety of industries from food and beverage to steel to cement to pharmaceuticals to tobacco. However, the company primarily specializes in beer production automation partnering with more than 200 breweries across the globe including multinational alcohol companies such as Castel, Heineken, AB InBev, and the Carlsberg Groups.16 Montelektro places diverse machine supplier systems onto a grid that can be monitored from a supervisory room where engineers and scientists can manage the entire production process from a control room, recording machine data but also surveying for problems and opportunities for optimization. Such processes are part of

what is being calls the *Fourth Industrial Revolution*^{17}, or as Forbes Magazine playfully notes *Industry 4.0*^{18}, the integration of “cyber-physical systems” (CPS) which autonomously communicate with each other through smart technologies (algorithms) implemented in factories and workspaces, as “connected machines visualize the entire production chain and make decisions autonomously.” Montelektro works with its partners such as ProLeit, Siemens, and Rockwell Automation to provide such automation systems to breweries in Ethiopia, connecting distinct suppliers, or “process islands” onto online integrated system, allowing for vast amounts of data to be interfaced with and managed on the screen as recent innovations in communication technology have reorganized the productive process of the brewery.

In Ethiopia today, the brewery should be imagined as a cyber-physical system controlled by a network of suppliers and sub-suppliers—an integrated decentralized system so to speak. This organization of technology within the beer factory—an arrangement of disparate suppliers integrated through an online automation system— is nothing special in Ethiopia, or Africa, but the growing global standard of the brewing business. In his *The Great Convergence: Information Technology and the New Globalization*, economist Richard Baldwin argues, in part, that a new globalization, beginning in the 1990s, is due to advances in information and communication technologies (decreased

communication costs), while an older globalization was driven by the widening gap between the production process and consumption (decreasing transportation costs for goods). Innovations in communication technology have not only allowed for the vast collection of data in breweries and the rearranging of productive processes, but increased interconnectivity between breweries under the umbrella of a multinational company. Before, Ethiopian and African breweries were nodes on the map, connected to their headquarters through expatriate staff in charge of overseeing factory production. With advances in communication technologies, breweries are not only increasingly connected to headquarters but sister breweries within the continent through an expansive network of suppliers and sub-suppliers.

This production system demands local skilled labor to monitor its processes, while unskilled labor is increasingly replaced by automatized technology. Currently, there is a high demand for young educated Ethiopian youth with experience in natural sciences, engineering, and programming. These youth are viewed by companies as “highly curious”, wanting to learn, grow, and more willing to adopt training — the “future” of these breweries — as well as more flexible, able to relocate to factories around the country on a need-to-need basis, as one manager states: “you can’t tell a 45-year-old man you need to relocate here and there.” The “good ones” are viewed like a “sponge”, which absorb the information given to them. With tight labor markets due to specialized needs, companies compete for these youth, often poaching workers from other
breweries around the country. This has created a favorable environment for the young technical staff that have found themselves able to exercise negotiation power, often leaving one brewery for another if the pay is right. On the other hand, the surplus of unskilled workers, once employed by state-owned breweries, are increasingly finding themselves without jobs. For example, Diageo recently found itself in conflict with national trade and labor unions when it proposed to layoff around 30% of its employees at the Meta Abo brewery. Such neoliberal restructuring is not new and the effects of privatization are felt across the industry. However, they are forgotten by the employees that remain. One retired employee from a competing company explained: “The top-level management decided they only needed this many employees. They got rid of the ones they didn’t want and kept the ones they did want…but for the ones that stayed they increased everyone’s salary so they became very happy and forgot about their friends who lost their jobs.” There are still many unskilled laborers working in breweries, especially in the delivery and packaging facilities. Still, as the factory becomes increasingly integrated into cyber-physical systems, labor becomes increasingly disciplined into a supervisory role as physical labor becomes increasingly more the work of the machine.19

19 This process already began with digital and automation systems and is only intensified under smart systems.
In the brewery, technical labor is not only disciplined through company management and expatriate staff but through a diverse network of supplier experts/specialists/instructors. For anthropologists, the story of production within a factory setting has been one of labor control, coercion, exploitation, manipulation, and extraction—one node of a multi-local web of power relations, from local patriarchal structures to the state, in which labor finds itself embedded. 20 Within the brewery itself, labor finds itself subject to networks of disciplining power, multiple and varied, through diverse supplier supervisory mechanisms, training sessions, and on-site visits for maintenance and repair. For the most part, local engineers and scientists are responsible for running the brewery on their own. Spread out across processing, technical, and maintenance departments, these workers are responsible for making sure machine labor productivity and its standardized output operate seamlessly without technical interruption. They work in teams programming, monitoring for mistakes, and collecting the data, documentation, and spare parts needed to facilitate production. Suppliers act as an omnipresent eye observing this entire process. They collect data on their specific machines, updating local staff if abnormalities are detected in the system, and are only contacted in cases of emergency. For example, a supplier would not be responsible for monitoring the day-to-day vibrations of a high-speed centrifuge system, but would send

a follow-up email if they detect an issue from afar. A supplier might also collect data to readjust the parameters of a wort kettle boil, calculating the best yield, taking into account the machine’s physical condition as well. When suppliers do interact with local technical staff, it is through assigned experts/specialists/instructors, from all over the world, who hold training sessions either overseas or in local breweries depending on the machine’s maintenance and repair schedule. These scheduled visits are varied in frequency and length throughout a single year depending on machine type and need, but when the specialist/expert/instructor arrives in the brewery, it is the responsibility of selected local technical staff to assist them in their maintenance or repair tasks and later communicate the lessons they learned to other staff (both superiors and inferiors) within the brewery. It is through these maintenance and repair visits that such technosystems of production become sites of local-global contestation.

5.3 On Maintenance and Repair

“If Marxism seeks to disrupt the commodity fiction of the object by connecting it backward to moments of origin, discovering the congealed forms of human labor, power, and interests that are built into objects at their moment of production, broken world thinking, draws our attention around the sociality of objects forward, into the ongoing forms of labor, power, and interest—neither dead nor congealed—that underpin the ongoing survival of things as objects in the world. In doing so, it may hold up a clear and revealing light to relations of value and order that are sometimes made invisible under the smooth functioning of complex sociotechnical systems.”

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The politics of maintenance and repair reveal the socio-technical values and processes underlying beer production in Ethiopia. Much of the economic activity organized in the modern world is generated around the repair and maintenance of machine infrastructure. In the brewery, technical and maintenance departments for the management of machines are just as important as production-related departments due to extensive integration, which causes processes of maintenance and repair to become deeply intertwined with processes of production, and modes of maintenance and repair with modes of production. In this way, the brewery becomes organized around “broken world thinking” or “erosion, breakdown and decay, rather than novelty, growth, and progress” as factory life—the monitoring and management of technosystems of production— takes as its primary organizing principle the prevention of systems breakdown—maintaining a seamless production process.

In the following sections, I focus on how logics of maintenance and repair become central to questions of value, power, and knowledge within technical systems of factory production. In other words, how one cares for things reveals the fluctuating social order of people, things, and process existing within the space of the factory. In his “Rethinking Repair”, Steven J. Jackson defines repair as “the subtle acts of care by

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23 Jackson, “Rethinking Repair,” 221.
which order and meaning in complex sociotechnical systems are maintained and transformed, human value is preserved and extended, and the complicated work of fitting to varied circumstances of organizations, systems, and lives is accomplished.” It is the perennial bridge that joins “a centrifugal world, an always-almost-falling-apart world” and “a world in constant process of fixing and reinvention, reconfiguring and reassembling into new combinations and new possibilities.”

Jackson includes maintenance within his definition of repair, not distinguishing between the two infrastructural modes of care. However, in my own ethnography, I have found that maintenance and repair, although deeply related, are distinct as the process of maintenance is oriented towards the anticipation of machine breakdown (death) while repair is oriented towards machine fixing (resurrection). It is through these cycles—the anticipation of machine death and its eventual resurrection—that technosocial systems of factory life are negotiated and reproduced.

What follows is an ethnographic account and analysis of encounters between a specialist/expert/instructor (henceforth Instructor) and local engineers (henceforth Engineers) as they repair the brewery’s broken beer bottle labeling machine. This retelling of the “social situation” — a single event of repair — establishes a framework

25 Jackson, “Rethinking Repair,” 222.
26 My thinking on maintenance and repair benefited greatly from my conversations with friend and colleague Joella Bitter who works on similar issues in Uganda (i.e. car repair garages).
for thinking through how conflict manifests within the brewery’s complex technosocial production systems. Such a depiction allows for a less dualistic rendering of factory life and a more Heideggerian “being-in-the-world” as agents and actants\textsuperscript{28} interact within structures of power coevally, generated by everyday technical encounters, rather than hierarchically.\textsuperscript{29} This rendering of repair “draws attention to the paradoxical constraint on humans to create their own worlds in the face of the worlds in which they already find themselves”\textsuperscript{30} as the management of brewery systems are negotiated and contested over something so small as the life and death of the \textit{ball bearing}.

\section*{5.4 Act of Repair}

“Friends, this is firefighting the wrong way!” the Instructor declares. Sent to Ethiopia by a brewery supplier to replace the ball bearings of an aging, but still well-functioning 40,000 bottle-an-hour labeling machine, the Instructor’s goal is to lead a team of 10 to 12 Engineers through a company-sponsored mechanical engineering training session to teach them how to properly maintain the labeling machine until he returns for his next service visit. He points an image projected onto the training room screen. It is a damaged label machine operating in a sister African brewery. The local engineers have addressed the issue through improvisation, sticking a green slit through


\textsuperscript{30} Evens, 57.
the machine’s gripper. The room erupts into laughter but the Instructor says it is not funny, insisting that this is not how one solves this particular problem, as the bearing needs to be replaced. He declares: “Bearings are the foundation of our adjustment, when they lose their life, we lose our adjustment.”

It is 10:00 am. Time to replace the bearings on the labeling machine. Everyone leaves the training room. Black safety boots, yellow hats, and blue worker coats slog towards the factory. On arrival, the floor is dripping wet as janitorial staff actively hose down the area. The air is thin from the high altitude and the temperature warm. It is the middle of the summer months.

While walking over, I ask an Engineer about his thoughts on yesterday’s training — the importance of using grease guns. He responds: “Yerasu țiqim new. Shechī new” (He is looking for his own interest. It’s sales.). He continues grumbling about the wasteful cost of grease guns and how suppliers are always sending instructors, like the said Instructor, trying to get the brewery to buy unnecessary things…

We arrive at the labeling machine. The Engineers bring in a two-ton light pink crane to lift the core cylindrical labeling mechanism out from the machine’s casing, up into the air, before slowly landing it on an industrial strength sheet-metal table. A yellow sticky liquid oozes out from the machine, copious amounts spilling from the table unto the floor. A local engineer lets me know that it is a mixture of water and label glue that was sitting at the bottom of the machine. Sealant was not properly applied.
“This is not the video. It is not easy, it is real life,” says the Instructor. “Crane or by hand”. The Engineers yell “Crane!” The Instructor grabs the crane to lift the machine’s cylindrical shell, revealing its skeletal gears. The smell of motor diesel instantaneously hits my senses as the uninterrupted steaming “psst” from a not too far away glass-bottle cleaning machine drones in the background.

The appropriate manual (documentation) arrives. The disassembly process formally begins. The Engineers crowd around the Instructor as he takes a large three-pronged plier— a mounting tool— to extract the first bearing from the machine before grabbing a sledge hammer. He begins to beat at a cylindrical-like hat at the top of the machine. Huff, puff, clank, repeat. The Engineers take turns gleefully getting a whack at the labeling machine as its parts—gears, screws, and spacers— slowly fall out. The Instructor pulls the machine’s eight labeling shafts out of their settings. Next, out comes the centrifuge. The Engineers scurry around the Instructor collecting and separating the metal parts hammered off the machine. A bucket for reuse. A bucket for cleaning. A bucket for trash.

It is time to extract the machine’s core ball bearings. The Instructor positions a black cylindrical tool over the bearing, using it to indirectly hammer down on each one in order to separate them from the labeling machine’s main gear. The dead bearings fall off easily unto the table. The Engineers toss them into the trash bucket for disposal. They have lived their life. They are no good.
The machine is dissembled in just two hours. Everyone begins to prep for reassembly. The Instructor inspects the parts the Engineers have collected. He shakes his head: "This is scrap. It should go into the trash box but this should be cleaned." He hands over some copper metal, stating: "If a problem with a piece of copper is that it is bent out of shape just heat it and bend it back." Some parts go to the workshop across the factory to be washed in acetone. Spacers are heated up to around 100 degrees Celsius with the protection of top-shelf, white and green gloves, marketed by the Instructor. Other pieces are grated on sandpaper to be smoothed out. We break for lunch.

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Reassembly preparations continue as Instructor and Engineers clean and organize the necessary parts. "Damn it’s dirty!" The Instructor declares as he inspects the label shafts, pointing at the markings. He examines the other parts laid out on a
nearby table: the aggregator, centrifuge, spacers, various gears and gear locks, etc. The Engineers continue heating, grating, and washing parts, while the Instructor applies sealant into the crevices of the main gears to prevent leakages.

Several Engineers have disappeared after lunch, but other curious brewery employees have taken their place, gazing over the shoulders of the Instructor, now pawing through a bearing catalogue manual to figure out what specific replacements are needed from the company store. He is too occupied to notice his team’s dwindling numbers. A couple of Engineers arrive with the bearings.

There is a problem. The Instructor grits his teeth. His temper begins to flair. While placing a bearing onto the main gear, a needle has fallen out. He panics. An Engineer reaches over to assist him, but the Instructor waves him away, yelling: “It isn’t clean!” He continues to fiddle with the bearing and is able to pop the needle back into place. He gives a big sigh of relief, wiping the sweat off his brow. The remaining Engineers and several bystanders blankly stare as he celebrates. The Instructor now begins to move at a quicker pace, reassembling the machine parts piece-by-piece.

An issue has arisen. The second set of bearings do not fit onto the label shaft. The Instructor frustratingly tries to place them, but the bearing falls unto the table. He does it a few times, wishfully thinking that they will miraculously fit. He murmurs: “It doesn’t fit. It doesn’t fit!” The Engineers bring in a new set of bearings. They fit. Everyone takes a turn hammering them into place using the black cylindrical tool used for disassembly
earlier. The Instructor marks the side of the gears with a sharpie so he knows exactly
where to place the labeling machine’s cylindrical hat.

Something has gone wrong again. Reassembly was almost complete, but an
Engineer arrives. He holds up a forgotten spacer. The Instructor visibly expresses his
frustration rolling his eyes and gaping his mouth. They have to start over again. He
takes the spacer and examines it, exclaiming and pointing: “Why did you do that? Why
did you clean so much?!”. The Engineers are collectively unbothered. The Instructor
removes the cylindrical hat and disassembles the parts before beginning to put it back
together again.

It is mid-afternoon. The Instructor sits at the center of the repair. Depending on
the activity, a number of people surround him but the Engineers are mostly off
preparing parts. Two expatriate managers arrive to briefly check on the team’s progress.
They do not say much except how hard it must be for the Instructor to work with
everyone watching him before leaving. Instructor and Engineers are quiet but the room
is buzzing to finish the repair. Everyone wants to go home.

There is another problem. As the machine is almost reassembled, an Engineer
arrives with a pressure reader. The Instructor explodes: “Why didn’t you bring that
before! It’s too late now!” Ignoring the pressure reader, the Instructor begins to align the
label machine bars. However, through the process, his mood becomes more cheerful. He
takes a small piece of paper lying on the table and presses it against the front, back, and
then middle end of the shaft head: “Look we have to get it at the tangent.” He has an Engineer hold the paper. “Do you feel that tension?” The Engineer nods his head. The buzzing stops and 20+ people surround the table. The Instructor states: “This is how you know the machine bars are perfectly aligned. He then goes on to show them how to instinctively align each one. The Engineers attentively watch as the Instructor effortlessly aligns the machine. “This is the magic,” the Instructor declares. “This is why I can travel the world. This is why I can travel business class all the time. It is because I am clever.” He continues to adjust the label shafts: “The machine is telling me what I need to do, not me telling the machine what to do.” The Engineers avidly study his movements. “Ah smooth touch,” the Instructor delightfully states. He makes a small mistake. A single bar is off. The Engineers are quick to point it out. The Instructor gladly lets them fix his error. Engineers enthusiastically take over, adopting the Instructor’s technique to successfully align the label bars along the gears. The Instructor is pleased. The labeling machine is reassembled.

The Instructor decides to use the pressure reader (just in case). The reading is alarmingly high. He turns to us all: “That’s life.” A wave of collective disappointment passes through the room. The labeling machine has to be disassembled, again. It is 6:00 PM. The repair would not be complete until just after midnight, just over 14 hours after its initial start, with only a few Engineers staying on to complete the task.
5.5 The Bearing

Through its reduction of machine friction, the bearing is a foundational element of factory life—a mediating mechanism—coordinating and facilitating connections between people, machines, and environment.31 During the repair process, the Instructor and Engineers were replacing several worn-out ball bearings, a specific kind of rolling bearing, in the labeling machine. Rolling bearings are defined as bearings that “support and guide, with minimal friction, rotating or oscillating machine elements – such as shafts, axles or wheels – and transfer loads between machine components.”32 Specifically, the ball bearing reduces rotational friction between two moving machine mechanisms (or in other cases one-moving and one static machine mechanism)—replacing a sliding friction with a rolling friction through the movement of balls along a bearing raceway. Generally made from chrome or steel, there are three categories of ball bearings: (1) bearings that reduce perpendicular/radial friction like those located along the shafts of the labeling machine (2) bearings that reduce thrust/parallel/axial friction between stretching and compressing machine mechanisms, and (3) bearings that are dynamic, reducing friction along both radial and axial loads. The ball bearing is composed of balls, which are situated between an inner and outer ring. Engraved into the rings is a groove or raceway that guides the movement of the balls, while a ball cage

31 Bearings have vast technological applications and uses from blenders to washing machines to motor vehicles to rockets.
is laid in place for extra support and spacing. There are a variety of ball bearing designs which include: needle roller bearings, deep groove ball bearings, insert bearings, angular contact bearings, self-aligning ball bearings, and thrust ball bearings. Bearings also can be either open (balls are visible) or closed (balls are shielded). The production of these bearings is controlled by a cartel of a few reputable European, American and Japanese manufacturers, which include Schaeffler Group’s INA, FAG, NIKO, the Timken Company, SKF, NSK Ltd, and NTN Corporation\(^{33}\) and come in a variety of shapes and sizes with the smallest ball bearing being 1.5mm in diameter, in other words, “smaller than a grain of rice.”\(^{34}\) Overall, bearings, roller bearings, and/or ball bearings are the nidus of factory technical productivity. When the bearing becomes worn out, machines stop working, and the factory must come to a halt, revealing the fragility of the technosystems that govern brewery production processes.

### 5.6 The Life of a Bearing

In the factory, the ball bearing is both actant and metaphor, mediating technosocial responses to breakdown, while signaling world-views of life, death, and resurrection through the banal act of replacing machine parts. In the long arduous process of disassembling and reassembling the labeling machine, as well as the training

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\(^{33}\) There is also a thriving black-market economy for counterfeit Chinese bearings sold with fraudulent labels, certification, and box to indicate production by the global players.

sessions in the days before and after the fact, the Instructor and Engineers reveal divergent orientations towards breakdown with the Instructor dedicated to extending the life of the ball bearing through structured maintenance schedules, anticipating and attempting to avert the death of the bearing, while the Engineers avoid “excessive” maintenance practices, aiming not to extend the life of the bearing but to get as much work out of it as possible, accepting the bearing’s “death” as inevitable.35 These contrasting orientations illustrate competing “values” in maintenance and repair within the brewery as “distinct forms of meaning and care that may be built into human-technology interactions through individual and collective acts of repair.”36 However, rather than “care” what is at stake are two exploitative attitudes towards technology, as the ball bearing is viewed by both groups as a means to a productive end.37 Thus, what is contested is how to extract as much labor out of the ball bearing as possible. It is through these competing conceptions of breakdown that the modes of maintenance and repair governing technosystems of production are negotiated.38

While repairing the labeling machine, Instructor and Engineers illustrate distinct understandings of how maintenance and repair practices are linked to brewery

38 Jackson, “Rethinking Repair,” 227.
productivity. In his trainings, the Instructor compared maintenance to “playing chess,” a strategic game of not only being able map out the machines within the factory, but maneuvering effectively around them, anticipating their every move. Such a maintenance strategy is key to national competitiveness: “If we don’t maintain our machines, we might lose to competitors who are better organized. We need to start with organizing ourselves. These are things you are taught in the army.” To the Instructor, maintenance is a militantly structured activity essential to the upkeep of brewery profit margins. It is the job of the engineer to engage with machines through an effective preemptive maintenance strategy, responding to problems before they arise, —a strategy that can only come from experience. The failure to strategically organize a system for anticipating machine breakdown would lead to a loss in machine productivity and money. He went on to complain about the condition of the brewery, stating that he comes to Ethiopia a few times a year and has seen so many machines exhausted till the end. The Instructor challenged the Engineers to change their maintenance strategy and habits in order to optimize machine performance before drawing a comparison between brewery maintenance practices and the world outside its doors: “Wise decisions save everyone time and money. Look at those taxis (mini buses). They run the wheels until they fall off when the could have used a little bit of that money for maintenance. We don’t want to do this, we want to be ahead.” The Instructor drew a stark comparison between the factory and everyday life in Ethiopia. He lamented over the inefficient and
continuous breakdown of buses and taxis across the country, all of which could be avoided with timely maintenance habits and schedules. Money and time wasted. The Engineers, on the other hand, do not have the same aversions to breakdown but accept it as an inevitable part of everyday life so you might as well drive the taxis until the wheels run off or work the donkey until it cannot stand anymore. While repairing the labeling machine, failures and mishaps were not a source of frustration for the Engineers; instead their energies were directed towards the conservation of machine parts. This can be seen in their desire to save pieces from the labeling machine that the Instructor viewed as disposable when declaring: “This is scrap” or “This should be cleaned.” For the Engineers, breakdown is not something that needs to be calculated or circumvented through a strategic game of chess, as time is better spent on figuring out what can be reused and saved. This is the best way get the most out of the machine parts and save the brewery money.

The politics of bearing lubrication is one area in which these two orientations towards maintenance and repair are contested. In the training session held before the repair of the labeling machine, the Instructor stated that 36% of the brewery’s breakdown can be attributed to poor lubrication, 34% from machine fatigue, 16% from poor fitting, and 14% from contamination. From initial installation and alignment issues to details pertaining to machine function and productivity—speed, vibration, and load—to environmental considerations—temperature and humidity—to issues of
maintenance—lubrication and cleanness—, the life of a ball bearing is contingent on a number of variable factors.29 Emphasizing that lubrication of machines was by far the weakest point in the factory, the Instructor reiterates that it is the responsibility of the engineer to control for those factors. The source for proper maintenance practices is the manufacturer’s maintenance handbook for ball bearings, which dedicates an entire chapter to the importance of lubrication in maintaining bearing life. The chapter meticulously outlines the type of lubricant needed (grease or oil) depending on machine temperature, speed, load, and productivity (high or low operating); strict lubrication and re-lubrication schedules; manual and automatic systems; compatibility; storage directions; shelf life; and disposal.40 The Instructor states that these steps are like a diet, declaring that just as humans need “food or a cup of coffee” to function, ball bearings need “oil and grease” to operate. In other words, lubrication is essential to sustaining the bearing’s life. With this explanation, the Instructor encourages the Engineers to change their lubrication habits. Repeatedly stating that he did not want to be perceived as overbearing, yet pleading, the Instructor directs the Engineers to develop a system of lubrication around the management of “grease guns” used on machine bearings:

“This is your assignment. You must train everyone on how to use a grease gun. Everyone needs to sign a paper that says they will do this because the majority of breakdowns have occurred due to improper greasing. I hope we have an

understanding. I want everyone here to be ambassadors of the grease guns. If you see a broken grease gun replace it. If you see an empty one replace it.” Although the Instructor is trying to organize the few selected Engineers into a battalion ready to transform the maintenance culture in the factory\textsuperscript{41}, many Engineers outright reject this logic of lubrication. As seen during the repair of the labeling machine, one Engineer dismissed the grease guns, bypassing the issue of lubrication and instead focusing on the Instructor’s position as an agent of the supplier—a salesman as well as a trainer. The Instructor represents a duality in the minds of the Engineers. For them, he brings with him knowledge and skill necessary to manage a brewery. Listening intently and engaging with him during training sessions, the Engineers were receptive to the Instructor’s lessons. However, simultaneously, there was a recognition that these interactions were business as usual with the supplier trying to sell the brewery more stuff, and, as some Engineers saw it, useless things such as more grease guns. Wary of the possibility of being cheated, there was a suspicion that what was being sold was not for the maintenance of bearing life but for the benefit of the supplier. All the extra energies spent on lubrication, and especially on the gadgets used for lubrication are “unnecessary things” or extra costs for what is inevitable—the bearing’s life will give out.

\textsuperscript{41} Jackson, “Rethinking Repair,” 221.
5.7 Interpreting the Bearing

A team of Engineers is assigned to a table to demonstrate that they are capable of disassembling and reassembling a spare centrifugal pump. Unscrewing the lid off of the fan with the assistance of a ratcheting wrench, an eroded fan is revealed. In Amharic, the Engineers discuss the damage to the fan due to fluid erosion from a mixture of caustic and water elements. They agree that despite its deteriorated state the fan is still operable. No new pieces are needed for reassembly. They continue along their way. Meanwhile, the Instructor begins to make his rounds. He becomes aware of their damaged fan:

“Why are we using this fan? It’s broken! It is unacceptable. This pump is not worth repairing with this fan. If we lower the standard to this, we will never win, this maybe for an emergency pump but [the fan] is finished. Beware, this is the last option. This isn’t even second life. This is the last life. It is unacceptable.” The Instructor walks away in a hurry as the Engineers regroup. Again, speaking in Amharic, the group’s leader tells the rest that the problem is that the fan’s bearing is overloaded, but it, along with the fan, have about three to four months of life on it, but the Instructor does not understand this. They all nod in agreement. The Instructor returns with the manufacturers manual: “Here is the Bible! If you sit down and look carefully, I’m sure we will find the information on how to proceed in here.” The Instructor begins to go through the manual with two of the Engineers, while the others go to grab some wood on the shelf to prop up the pump. The Instructor mutters to
himself: “This is the only spare in [the factory] with a broken fan! This pump cannot be efficient. We cannot create a miracle.”

Whether looking to prevent breakdown or for possibilities of conservation, the Instructor and Engineers are constantly interpreting the viability of the bearing as well as other machine parts within a larger technosystem of production. It is this act of interpretation, couched in contrasting orientations towards breakdown, that govern how engineers read the bearing. Through this process of interpretation, the manual becomes a site of contestation as Instructor and Engineers fail to resolve interpretive difference. In his “What is an Author,” Michel Foucault describes what he calls the “author function” or how the category of the author becomes a system of classification essential to the “existence, circulation, and operation of certain discourses within a society.”42 The manufacturer, as author, occupies a “transdiscursive position”43 through its manual or as the Instructor calls it, the “Bible”. In the brewery, the manual becomes a kind of scientific text in which its “authentification” no longer needs be attached to the individuals that produced the text, but the text itself becomes an “index of truthfulness” for how to conduct maintenance and repair within the factory.44 The role of the technical engineer is to read and interpret the needs of the machine or machine parts (e.g. the bearing) with the guidance of the manufacturer’s manual. Although the Instructor

43 Foucault, 309.
44 Foucault, 306.
emphasizes the authority of the manual, his reading of it is also not fastidious. Instead he treats the manual as a canonical text, which Foucault states “produce [s] not only [its] own work, but the possibility and rules of formation of other texts,” thus exceeding the limits of the author’s work.\textsuperscript{45} For example, the Instructor continuously told Engineers to create their own manuals by rearranging the manufacturer’s manual—scanning, cutting and pasting the contents into a form that best suites the needs of the Engineer. He emphasized that no human being can memorize all the information in the manual; therefore, it is the job of the Engineers was to creatively (although he does not use this word) engage with the manual, making it “your own invention.” I call this a form of \textit{engineering bricolage}, as reading the manual is not just about mechanically regurgitating directions, but taking those directions and reapplying them in one’s own unique way.

Arguably, the divided focus on breakdown and conservation frames how Instructor and Engineers engage with the manufacturer’s manual. The Instructor and the manual are more aligned as the manual instructions for maintenance are oriented towards the prevention of breakdown. For example, the “Forward” of the SKF Bearing Maintenance Handbook states as its primary maintenance goals the desire to “extend bearing service life, reduce machine down-time and minimize unplanned maintenance activities.”\textsuperscript{46} This common aversion towards breakdown is not shared with the

\textsuperscript{45} Foucault, 310.
\textsuperscript{46} “SKF Bearing Maintenance Handbook,” 3.
Engineers who tend to ignore the manual unless looking for specific replacement parts or technical knowledge. Later in the training workshop, the Instructor would inspect the same group’s pump during the reassembly process, noting that the Engineers were lucky to have installed the impeller properly without even looking at the manual. For them, the manual is not oriented towards the logos of conservation; therefore, its usefulness is limited. Instead, Engineers use the manual more as a jumping off point for a process of tinkering⁴⁷ that might lead to success.⁴⁸ For them, there are still more avenues of discovery for ways to conserve—avenues not mentioned in the manual. For example, during another training workshop, the Engineers began debating how to position a ball bearing, with a special groove design, before mounting it onto a ring. They decided to invert the bearing, purposefully placing it in upside down. The Engineers were convinced that the unreliable manufacturer was trying save money through this bearing design and decided to defy the manual instructions, flipping it for maximum use. When the Instructor arrived, he looked at what the Engineers had done. He hesitated, stating that in his experience, the manufacturer had a reason for putting the grooves into the ring. One Engineer spoke up, saying that he had done this before and it works just as well if not better. The Instructor is still unsure and called for the manual, spouting that maybe the grooves needed to be placed a particular way for

⁴⁸ Knorr, 350.
lubrication. For the Instructor, the Engineers’ act of tinkering was inappropriate for the situation, emphasizing instead the importance of having the right tools and following the instructions of the *reliable* manufacturer. However, willing to test the limits of the ball bearing’s life, the Engineers were more interested in exploring that which is unsaid in the manufacturer’s text. It is in such spaces that the Engineers see value and opportunity for exploration—suspicious of anyone who does not let them practice their experimental tinkering geared towards conservation—aimed at getting the most out of the bearing’s life.

**5.8 Repairing the Bearing: The Politics of Translation, Masculinity, and Race**

Technosocial attitudes toward machine breakdown (and the interpretive processes guiding maintenance and repair decisions) exist within a network of identity and power relations. With the labeling machine bearings needing to be replaced, the Instructor and Engineers must work together to restart beer production. This collaboration is very much colored by Instructor and Engineer positionalities as issues of translation, masculinity, and race come into play through repair. In this way, identity becomes a fulcrum for repair politics within the brewery—a dynamic site of (dis)unity as racialized and gendered bodies generate/exist within asymmetries of power/knowledge.  

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First, the multiplicity of “languages” within the brewery makes repair a site of persistent (mis)translation.\textsuperscript{50} English, French, Flemish, German, Amharic, Oromigna, and Tigrinya, there are a number of languages spoken, read, and written within breweries. English remains the mediating international language, but being people’s first, second, or even third language, accents, concepts, and attitudes are continuously being (mis)translated as everyone is trying to understand each other. For example, the Instructor was not a native English speaker nor were the Engineers, some of which would not even claim Amharic as their first language. Each found themselves overcoming several language barriers in order to come together to repair the labeling machine. There is the Instructor expressing his thoughts through self-fashioned colorful English metaphors always stating: “Do you understand my English?” “Please stop me if it is hard to hear?” “If there is a misunderstanding, if you didn’t get the point you need to stop me?” There are the Engineers huddled together discussing dissenting points in Amharic. Myself, a native English speaker with Amharic as a second language, found myself not only moving between the two languages, but translating the disconnected attitudes and orientations towards breakdown playing out during the repair process.\textsuperscript{51}

However, in other moments, I found myself struggling to understand the technical jargon that both groups intuitively shared through schooling, experience, and training.


Such linguistic circumstance produces a collaborative repair process that is isolating and often rife with confusion. While repairing the labeling machine, the Instructor operated on his own island, not leading the group in repair but doing the repair himself with some assistance, occasionally shouting commands and surveying the preparation process. At one point, the Instructor told me that he felt like he was in a fish tank, not even recognizing when some Engineers disappeared during the process. The Engineers buzzed around the Instructor, but are engrossed in their own conversations about repair. They tried to save the pieces the Instructor wanted to throw away and bring in the necessary parts on their own timetable, leading to frustration on the side of the Instructor. Although the Instructor and Engineers conducted the repair process together, each is operated on their own wave length and rather than bridging that divide, each asserted their own orientations toward breakdown.

While (mis)translation is a source of disjunction during repair, a shared masculine identity is a site of coalescence. During the repair process, moments of unified collaboration existed around performances of physicality—the bodily act of lifting and hammering over-sized bearings and other machine parts as the men grunted and pounded at the metal. This masculinity was most apparent in relation to my female presence.52 For example, while touring one factory, I climbed a 40ft ladder to reach the

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highest point of the factory. While walking along the roof overlooking the city to survey the malt barley silos, my guide, an engineer, told me that I was probably the first woman to make the climb up here. While repairing the labeling machine, everyone involved in the assembly and disassembly process was a man. The only woman, I would be offered the opportunity to sit every thirty minutes which I politely refused until several hours in when I relented from exhaustion. Despite indigenous brewing primarily being carried out by women, commercial brewing is a male dominated industry.\textsuperscript{53} This does not only include the engineers, scientists, and day laborers in the factory, but jobs such as distribution, draft cleaning and the farming of barley seeds. Even women who do such work, especially those involved in the most laborious parts, are referred to in masculine terms. For example, while draft cleaning, the men would often refer to an elusive female draft cleaner who they claimed looked and acted like a man. In another instance, I was told that the women working in one factory were known to break out into physical fights resulting in the brewery instituting an anger management course. One corporate officer declared that one in five employees within the company was a woman, most occupying secretarial positions, with upper management having even lower ratios. As for the women scientists and engineers I spoke to across breweries, they were reluctant to speak about gender, evading the topic, stating that they focused on doing their jobs

\textsuperscript{53} Other industries such as cut flower farms and industrial parks greatly employee women.
rather than socializing. Despite the presence of some women, brewing is ultimately a man’s work.

Finally, the act of repair is situated within an environment of covert (hierarchies of “common sense”) and overt (Ethiopian as different from Africans) racial undertones. During repair and training workshops, the Instructor questioned the “practicing epistemology” of the Engineers. What is “common sense” became a site of contestation as the Instructor challenges the technical assumptions derived from the lived-experiences of the Engineers:

“You have done the best you have from what you have learned with the best of intentions, but if the person before you made mistakes you will repeat those mistakes from years ago, we need to go back examine our thinking our common sense.”

What is “common sense” to the Instructor, a common sense arising from his lived experience, is not the same common sense experienced by the Ethiopians as seen in both the conflicting maintenance and repair orientations and interpretive strategies discussed in the previous sections. Such common sense is viewed by the Instructor as incompatible with the logics of the factory. Before servicing the labeling machine, the Instructor gave an example of a repair job done in a sister African brewery. He stated that this is the “wrong” way of doing repair and that such acts of “conservation” (using my language) are not truly addressing the issue of breakdown. The Instructor was adamantly trying to

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change the Engineers’ maintenance habits, which he insisted came from “wrong” thinking. He went on to say that “it is not your fault,” declaring that they must go through a process of unlearning and relearning in order to grasp what I call a proper maintenance and repair epistemology. This challenge to the Engineers’ common sense is duly a challenge to his lived experience, a lived-experience that takes breakdown as a part of everyday life. Meanwhile, within such regimes of power/knowledge, Ethiopia is characterized as a place of exception. It is not only the tendency of suppliers, but expatriates to differentiate Ethiopia from other African countries. For example, an individual who has worked in breweries in over ten African countries stated: “I have never seen two Ethiopians outright fight with each other like in other African countries where someone will tell another I know more than you.” There is an othering of Ethiopia from the rest of the continent, on the basis of culture and temperament—everything from “they are an older culture” to “they look different” to “they are polite/soft spoken”. This often leads to breweries with more Ethiopians and fewer expatriate staff in management positions. I would like to note that there is infighting between local workers within the factories (e.g. the women undergoing anger management courses). Even with the Engineers, there are small moments of tension, but these usually remain out of the Instructor’s purview as they are communicated through local language. Nevertheless, during repair and training workshops, the Engineers generally work together as a collective against the Instructor rather than showing off
trying to gain his favor or attention by performing knowledge. They are more interested in protecting the brewery from supplier interests as the Engineers have a cautious skepticism towards the Instructor’s maintenance and repair practices as being the best way of doing things. There is no erasure of brewery hierarchies in the minds of the Engineers who quietly resist the Instructor’s disciplining.

5.9 Repairing the Bearing: Rethinking Expertise

Technosocial attitudes toward machine breakdown (and the interpretive processes guiding maintenance and repair decisions) are also shaped by the politics of expertise. Within brewery technosystems of production, technical expertise is a source of authority. There is a rich anthropological literature on the disciplinary and productive relations of power generated from expertise in engineering and sciences.55 However, the technical expertise most valued in the brewery is not one of knowledge-facts but of

“cleverness.” In his Seeing Like the State, James Scott critiques “high modernist projects” for their dismissal of “local practical knowledge” or “metis”. He defines metis as “forms of knowledge embedded in local experience” against “the more general, abstract knowledge deployed by the state and its technical agencies.”

Metis refers to adaptability or a “cunning intelligence” that cannot be simplified deductively or transferred through book learning. It is a “partisan knowledge” that cannot be derived from general rules. Scott fears forms of “metis” are disappearing every day due to capitalism and the deskillling of labor. In the brewery, however, “metis” or “cleverness” is not only central to capitalist production, but valorized by engineers who view adaptability and resourcefulness as a mark of true knowledge. It is the claim of technical cleverness, not from book learning but his lived-experience—a privileged epistemology—, that fortifies one’s position amongst the Engineers.

Repair, in part, is a performance of technical “cleverness” by the Instructor and Engineers. For example, during reassembly, the Instructor and Engineers coalesced at a moment when the Instructor began to adjust the labeling shafts on a machine. After performing a few technical tricks, the Instructor declared success on the grounds of him being “clever,” grabbing the attention of the Engineers. It is important to note that this is not a racial or intrinsic cleverness as the Instructor not only gladly demonstrates his

tricks but encourages the Engineers to adopt his technique (i.e. anyone can do it). Further, in the debriefing the next day, he would encourage them, stating “Don’t be afraid to be clever,” urging them to develop their own technical prowess. When the Instructor states his propensity for cleverness, he is speaking of improvisation, adaptability, and innovation—the ability to read and respond to the machine in a flexible and instinctive manner in the face of breakdown. This kind of technical cleverness is only achieved from years of experience; it is what allows for an unparalleled level of intimacy with the machines—the claim on which the Instructor assumes his elevated position of expertise within the brewery. The Engineers, on the other hand, do not get to make such claims due to an unprivileged practicing epistemology (wrong-headed thinking), in which their “cleverness” is oriented towards new and innovative conservation strategies rather than the prevention of breakdown.

Although the politics of cleverness (or metis) is the defining feature of expertise in technosystems of production, general technical knowledge is still important. However, in the eyes of the Instructor, calculable knowledge is more readily acquired due to the proliferation of information on the internet. In one instance, He pointed out that YouTube videos, manuals, documents, and guides on mounting and dismounting the bearings are readily available for the Engineers online. The Instructor declared that if

the Engineers ever run into a bearing that they do not recognize, they should not call him but refer to the documentation or Google. He declared: “The internet is your best friend in the world.” The Instructor even encouraged the Engineers to do a “self-study” on each machine to develop their basic understanding of brewery machine functioning. These technical skills are the building blocks needed for a more complex understanding of the brewery’s technical systems and in the subconscious hopes of the Instructor, an epiphany for the Engineers—a new attitude that anticipates and averts breakdown rather than embracing it.

5.10 Conclusion

Renovating local breweries with the latest technologies, multinational alcohol companies have ushered in a new factory regime—the technosystems of production of the Fourth Industrial Revolution. Under such technosystems of production, labor (or better engineering labor) is organized around the monitoring and management of smart brewing systems, observing for opportunities of optimization and/or the prevention of breakdown. These systems create a backward linkage that connects Ethiopian engineers to a global network of factory suppliers and sub-suppliers responsible for brewery machine equipment. These suppliers and sub-suppliers are both experts and instructors disciplining Ethiopian engineers to meet the demands of capitalist production. However, these technosystems of production are not Karl Marx’s factories, in which labor finds itself physically exploited and spiritually alienated from its work. What is
contested in this system is labor’s ontological orientation or worldview as attitudes towards breakdown and repair advocated by suppliers and sub-suppliers challenge local lived-experiences towards life and death—even with something as small as how to maintain a ball bearing.

Driving towards Asella, a small town in the Oromia Regional State, we pass a straw-colored campestral of recently harvested wheat (*sindê*) and barley (*gebis*) farms. It is the early summer months. The air is warm and dry as we pass an undulating landscape of farms—the nearby lowlands and distant highlands. Fertile dark brown dirt, reddish mud, and intermittent shrubberies line the sides of the road as our jeep weaves in and out of the two-lane highway passing tractors, trucks, compact cars, and a number of horses—decorative little poofs lining their heads—drawing *garīwoch* (carts) with mounds of straw piled past the brim. We bump along potholes and oddly placed speed bumps. Cutout picture-signs of Ethiopian traffic guards signal drivers to slow down every few miles. Grazing and/or traveling on and off the road are herds of cows, goats, sheep, and at one point about 200 hundred camels. Giant electric utility poles run along the countryside as well as a series of scattered homes — some built from hay, wood, and mud, others from concrete and stone. Occasionally, we pass a church or mosque painted in bright colors—pinks, greens, yellows, and reds.

The road is serene and quiet, but just a few months earlier this region was in upheaval. Tensions began over a year ago with the Ethiopian federal government’s announcement that the Addis Ababa master plan would expand its city limits into the

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1 January 2017
Oromia regional state, leading to mass protests and hundreds of deaths. However, it would be the tragedy that befell the October 2016 Irreechaa festival in Bishoftu, leaving dozens if not hundreds dead, that would spark an outright revolt causing the federal government to declare a state of emergency soon after. The road to Asella showed no marks of that chaos, but in the following months, I would pass the occasional burned vehicle along the highway connecting Addis Ababa to Shashemene as well as thousands of boulders piled on the side of the road in Bekoji —both a grim reminder of regional unrest.

Figure 13: Torched vehicle on road between Addis Ababa and Shashemene

4 The protesters placed the boulders on the road to keep out paramilitary who later moved them to the side of the road.
I am traveling with a local agronomist from EUCORD who specializes in barley production. He is part of Heineken’s CREATE (Community Revenue Enhancement through Technology Extension) Project, a corporate social responsibility (CSR) program introduced in 2012/2013 with Heineken’s purchase of the state-owned Bedele and Harar breweries. Signing a four year Memorandum of Understanding with the Agricultural Transformation Agency (ATA) and the Ethiopian Institute of Agricultural Research (EIAR) in collaboration with the Dutch government as cofinancer through, NGO partners such as the European Cooperative for Rural Development (EUCORD), CREATE Project was meant to bring together a number of local, state, corporate, and international actors for the purposes of improving the production and quality of *gebis* across smallholder farmers in the Oromia region in order to develop the local *biqil* (malt) barley value chain.

Despite local turbulence, in the years since its inception, Heineken’s CREATE Project has been an undisputed success with the locals, cheering “Idmé le Heineken” (Age for Heineken). In 2013, the national average of 1.87 tons of *gebis* per hectare, while for Oromia region, it was 2.4 tons of *gebis* per hectare. By 2016, the CREATE Project farmers

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5 According to Synergos, there are 4.5 smallholder barley farmers in Ethiopia with 52% of the national crop grown in the Oromo regional state.
doubled that average with nearly 5 tons per hectare produced. Speaking to the agronomist, I asked him why the project had done so well? He notes that he is familiar with a lot of agricultural projects with NGOs, USAID, and World Vision—all of which are “okay” agencies. They focus on “mastemar” (teaching) and “mikir” (advice), telling farmers to use “ṭiru zer” (good seed) but they do not provide that seed. Heineken’s CSR project is different. The company introduced and distributed seeds, agro-chemicals, training, and financing to the farmers with the help of its government and NGO partners. That combined with favorable ecological conditions allowed the project’s successful implementation.

6.1 Chapter Argument

Recent anthropological debates on corporate social responsibility (CSR) mark an increasingly “ethical turn of corporate capitalism.” By definition, CSR is a self-regulating model—imposed by management or activist shareholders—that takes into account stakeholder interests. According to the management literature, CSR is integral to corporate strategy and implemented within two distinct strategic frameworks: stakeholder versus shareholder value approaches. The stakeholder value approach conceives of the corporation as being comprised of a network of internal (suppliers, investors, shareholders, employees, customers) and external (government, environment, 

7 The range was approximately 3-8 tons of gedis per hectare.
trade unions) groups with overlapping and/or conflicting interests. In order to be profitable, in the long term, corporate managers must balance interests and resolve conflicts between these groups.\textsuperscript{9} The shareholder value approach defines a company’s sole purpose as being value creation for shareholders— the original owners of the company as management should aligned all stakeholder interests towards profit.\textsuperscript{10} Existing on a spectrum rather than binary, the stakeholder value approach understands CSR as a necessary part of its management strategy, while the shareholder value approach only implements CSR when necessary— “insincere” and always four the purposes of shareholder profit. In “Toward the Anthropology of Corporate Social Responsibility, anthropologists Catherine Dolan and Dinah Rajak communicate a less schematic and more nuanced understanding of how and why CSR programming is implemented by corporations. They define CSR as “protean and multiply enacted— an evolving and flexible and overlapping set of practices and discourses (as opposed to a distinct set of initiatives or principles) through which business (re)makes and asserts itself as an ethical actor, claiming to elide the frictions between principles and profit by reframing (if not actually reinvigorating) the responsibilities, interests and priorities of

the corporation.”¹¹ In this way, CSR is conceived as a highly flexible business strategy mediating company (and even industry) relationships as the corporation contends with both its collaborators and its critics.¹² Whether benevolent or sinister, pre-emptive or reactionary, when enacted the CSR project— at its core— is about company profitability, but the grounds on which that profitability is achieved is through a process of ethicizing the corporation itself.

This chapter analyzes the economic, social, political, and institutional processes underpinning the enactment of Heineken’s CREATE Project. The project is one of the largest CSR projects in Ethiopia, involving transnational, national, and local institutional bodies and actors, to strengthen and grow the malt barley value chain in the Arsi, West Arsi, and Bali zones of the Oromia regional state. Driving the project is Heineken’s commitment to improve the production and quality of the barley supply in Oromia as part of its corporate goals of sourcing “at least 60% of its raw materials from within the African continent by 2020.”¹³ CREATE exists within a larger framework of supply chain development by breweries on the continent. Beer multinationals have spent the last few decades supporting the import-substitution of brewing grains to lower export costs through collaborative efforts with African states, NGOs, local commercial markets, and

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¹³ “Heineken Launches 4 Year Barley Program in Ethiopia Together with Dutch and Ethiopian Government.”
farmers with mixed results. Heineken has conducted similar projects with smallholder farmers in Egypt and South Africa (barley), the Democratic Republic of the Congo (rice), Rwanda (maize), and Sierra Leone, Nigeria, and Burundi (sorghum). In Ethiopia, the Dutch Government and European Cooperative for Rural Development (EUCORD) are Heineken’s primary partners, providing funding and technical support, respectively, with the goal of meeting local food security needs. Within this humanitarian umbrella, there is also BENEFIT (Bilateral, Ethiopian Netherlands Effort for Food, Income, and Trade), which assists with strengthening informal, intermediary, and formal seed systems through its Integrated Seed Sector Development Programme in Ethiopia (ISSDE). The Ethiopian government also plays a prominent implementation role through its infrastructure of federal (Ministry of Agriculture, Agricultural Transformation Agency (ATA)), ethno-regional (Bureau of Agriculture and Natural Resources), and local (agricultural extension workers or development agents, unions, and cooperatives) agencies as well as parastatal organizations (Oromia Seed Enterprise), using its vast network to push its Agricultural Development-Led Industrialization (ADLI) policy. Finally, there are the smallholder farmers themselves whose subsistence is dependent on

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access to good seed, agro-chemicals, training, and technical support. Whether their interests are profitable, humanitarian, developmental, or essential to their livelihood, these actors and institutions play both an integral and collaborative role in the politics of shaping the malt barley supply chain in Oromia.

The “success” of CREATE is not from a perfect implementation, but contingent on the “inherent contradictions” existing within the enactment of CSR. I argue that key project stakeholders of CREATE, specifically Heineken and the Ethiopian government, are in the business of managing markets through 1) the negotiation of responsibility and 2) the politics of control as both corporation and state navigate and respond to Ethiopia’s unstable political realities. Peter Benson and Stuart Kirsch’s “Capitalism and the Politics of Resignation” (2010) argues that CSR programming is a form of crisis management using techniques of obfuscation, sowing seeds of doubt, and symbolic concessions as a way to strategically respond to crisis. Expanding Benson and Kirsh’s framework, my project conceives of CSR not as simply managing crisis, per se, but an instrument for managing markets in general, as Heineken and the Ethiopian government are disciplining smallholder farmers to meet their supply and developmental goals, respectively. In this instance, CSR’s ethicizing project is not formed on the grounds of

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17 In 2016, Create Project would support 20,894 farmers on 19,103 hectares of land located within the ATA Oromia Malt Barley Cluster comprised of 93,932 households on 60,520 hectares of land.
“reciprocity,” as seen in chapter three with retail-outlet sponsorships, but around the question of the responsibility of the state and corporations to smallholder farmers who demand and embrace institutional care, while simultaneously resisting its attempts of control.

The following sections analyze the negotiations of responsibility and the politics of market control through the process of developing the malt barley value chain in Oromia. Section one (“Spring Water”) examines Heineken’s reluctant involvement in growing the barley seed value chain. Initially assuming full responsibility for its development, and thus winning the affection of local smallholder farmers, Heineken is actively trying to abdicate its responsibility for the barley seed system on neoliberal grounds, leaving its management open to a most eager Ethiopian government. Section two (Local Networks) follows how the Ethiopian government and Heineken both collaborate to strengthen the local barley-to-malt supply chain, but also exert control over the market as local farmers, although open to assistance, resist corporate and state disciplining mechanisms. Section three (Politics of Price) explores contestations over price as Heineken, and other breweries, attempt to drive down the local cost of malt barley. Section four (Civil Unrest) contextualizes CREATE within Ethiopia’s unstable political

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19 Dolan and Rajak, 12–14.
20 Many anthropologists collapse CSR and Sponsorship, which although closely related, operate through different logics of power.
reality—fueled by ethnic tension, land conflict, and youth unemployment—through my own experience with protest and threats of violence.

6.3 “Spring Water”: Who’s Responsible for the Seed System?

Visiting a cooperative facility supporting around 500 farmers, an agronomist friend introduces me to its manager, Henoke. We begin to speak about Heineken and its impact on the community. Henoke praises the company for its commitment to the market, providing farmers with seeds and agro-chemicals, raving specifically about a herbicide that is great for killing weeds—his cooperative members have never had fields this clean before. Henoke points out that the cooperative assists Heineken by distributing these materials to their members as well as collecting barley crop yield. I look around. The cooperative space is filled with sacks of recently harvested grain to be delivered to Assela Malt. There are five to seven men sitting nearby, initially chatting and joking, but now attentively listening to our conversation. Henoke declares that farmers perceive Walia as a kind of “medhanit” (medicine) as the men nod in agreement. As the conversation continues, I listen to much praise about Heineken before finally interjecting. I naively voice a question of concern—“What would happen if Heineken stops providing the seed?” Henoke’s face immediately grimaces at the remark as do the other men in the room. For a second, they are silent but soon turn to each other with negative excitement. Henoke has stopped speaking in Amharic. He switches over to his native Oromigna and is feverishly speaking with the other cooperative members. My
agronomist friend, sensing the tension in the room, jumps in to calm the growing commotion. They have locked me out of the conversation. I cannot understand a word being said, until the agronomist, remembering my presence, turns to me and says it is the role of the *mengist* (government) to assume the responsibility for the seed. One of the nearby men speaks up, responding with “*minč wiha ke yelem, hulum yiderqal*” (if there is no spring water, everything will dry), referring to Heineken and its role in procuring seeds for the farmers. The group returns to their conversation in Oromigna, discussing the sensitive matter, as I strain to understand. It would not be until later, while leaving the cooperative, that the agronomist would briefly readdress the issue. He offhandedly stated that there is a *dependency* problem in the country. Heineken’s plan was to get things started and eventually leave the market, but the farmers want to maintain dependence. The farmers need to understand that “the seed” is not Heineken’s responsibility.
The CREATE Project has become a site in which responsibility, to the farmers and to the market, are being negotiated. Much of the anthropological literature on CSR analyzes how corporations and states eschew their responsibilities to their populations. Hannah Appel’s “Walls and White Elephants: Oil Extraction, Responsibility, and Infrastructural Violence in Equatorial Guinea” (2011) explores how oil companies and the state are always evading their responsibility to the people of Equatorial Guinea, using CSR as a way to show their “commitment” through the construction of prestige projects such as Malabo II—a city constructed of buildings or “white elephants” that are
without running water, electricity, gas, and sewage systems.\textsuperscript{21} CSR is a half-hearted effort, a performance of goodwill, an empty gesture, as the state evades its infrastructural responsibilities and the corporation its role as a member of the society. For the CREATE Project, responsibility is not so much being eschewed as it was strategically assumed. From the beginning, Heineken took responsibility for the management of the entire barley seed system in Oromia, a pertinent issue in a country plagued by low productivity, crop failure, and famine from drought.\textsuperscript{22} It is no wonder the cooperative members metaphorically describe Heineken as \textit{medhanīt} and \textit{minch} as the company’s presence dramatically transformed barley yield and quality for smallholder farmers. In this way, Heineken is imagined not as a corporate person\textsuperscript{23}, but as a \textit{minch} as the population collectively drinks from its healing waters. A Heineken affiliated agronomist complains: “Farmers think that big companies never go bankrupt and that they should give us everything.” Thus, unlike local smallholder farmers, Heineken does not view its assumed responsibility to the barley seed supply chain as in perpetuity, but transitory—actively trying to abandon the seed system it so fastidiously built.


Since its arrival, Heineken assumed responsibility of the local seed system in order to improve the barley crop yield and quality. Meku, a director at a microfinance agency working with farmers in the region, describes Heineken’s entrance into the market as transformative. He states that before Heineken, the seed system in Ethiopia was inefficient as its formal structure was monopolized by the state. He declares: “Farmers would go any extra mile to get quality seeds. It is like a diamond. It is a privilege to get it.” For the past 7-8 years, it was his job to go between his farmer clients and the local union and/or cooperative to get seeds, but there were always problems—either the right seed was not available or there was not enough. But also, in Ethiopia, seed access is an instrument of political power exercised by local and regional governments. Meku states that in his experience cooperatives in Ethiopia are not really for the farmers, but for the party as they ration out seeds to preferred members. In order to access seeds for his clients, Meku would have to navigate the country’s complex bureaucratic system—getting letters from local development agents to be sent to the zone authorities that would in turn write Oromo Seed Enterprise—, literally begging along the way. Meku laments that his job is to give microfinance loans, but he could not even do that without first going out of his way to secure seeds for his clients. Heineken’s entrance into the market disrupted this seed system by making high quality barley seed

25 Berhanu and Poulton, S205.
abundant and readily available through the introduction of Traveler and Grace, two European varieties, selected for their genetic malting quality as well as their environmental adaptability—Traveler (highlands) and Grace (lowlands). The company also assumed responsibility for the seed multiplication and distribution through the Oromo Seed Enterprise and local unions, cooperatives, model farmers, NGOs, etc.26

Finally, Heineken provided loans to local farmers to buy seed in the absence of financial institutions willing to do so. Many of the rural regions have no cash flow as loan repayment is every 10-12 months around harvest season (December/January/February). Initially, Heineken tried to link farmers to micro-finance and banking institutions, but very few were willing to participate in this high-risk venture so the company, determined to locally source its malt barley, was forced to credit the farmers for seed, providing zero interest loans27 for three years. Meku states that his clients with the additional seed capital saw a jump in productivity from 15-20 quintiles of barley per hectare to 40-60 quintiles of barley per hectare within a given year. Not only this, the quintiles supplied for the malt factory were of higher quality with 75% grade A and 25% grade B. With access to high quality seeds, the farmers in the CREATE Project experienced yields double, triple, and in some cases even quadruple over previous years. As a EUCORD representative states: “We picked the most important issue and

26 For more on barley seed varieties in Ethiopia see Plant Variety Release, Protection, and Seed Quality Control Directorate, Crop Variety Register 19 (Addis Ababa, Ethiopia: Ministry of Agriculture and Natural Resources, 2016), 86–87.
27 6,000,000 birr in 2013, 22,000,000 in 2014 and 34,000,000 birr in 2015.
Heineken resolved that issue. The most important bottleneck was seed and everyone is happy.”

However, Heineken assuming responsibility for the local seed system was done out of reluctant necessity rather than benevolence as the company, preferring to operate through a neoliberal market logic, now finds itself enacting a more patronage style of value chain development. Marina Welker’s *Enacting the Corporation: An American Mining Firm in Post-Authoritarian Indonesia* (2014) investigates a similar issue with the CSR practices of the Denver-based Newmont Mining Corporation and its Batu Hijau and Gold Mine in Sumbawa, Indonesia. She argues that the corporation often enacts itself in ways that undermine market logic—observing two debated models of development within the mining company. The sustainable (neoliberal) model, in which locals should seek opportunities outside of the mine versus the patronage model, in which villagers are seen as interdependent subjects of the mine and are thus provided business projects and contracts.28 For the corporate managers, the sustainable model was seen as the moral model while the patronage model was regarded as necessary due to local demands on the mine as the community “affirmed their dependency upon the mine, responsibilizing Newmont as a collective subject and insisting it owed them more than a sense of enterprise, empowerment, and autonomy.”29 Welker argues that the mining

29 Welker, 156.
company was unable to exercise its preferred sustainable model due to security threats, which I similarly discuss in section four (Civil Unrest). However, Heineken is also operating outside of its preferred market ideology—assuming responsibility for the seed system’s sourcing, allocation, and financing because no one else would do so:

“There was no option. Heineken wanted this project to be successful and they wanted to locally resource malt barley. They wanted to demonstrate that the business is profitable. Also, this is part of their Corporate Social Responsibility. They were happy for the first three years, but not for the fourth year.”

In order to develop the malt barley value chain, Heineken would take on roles traditionally assigned to the state, financial institutions, and other market actors. Assuming responsibility for a period of three years, the company enacted its CSR programming in a way that goes beyond the scope of what the company would view as its primary business—the production and sale of beer. In this way, Heineken became the region’s minch in order to create the seed system needed to meet not only its supply needs but that of the national brewing industry. But such an enactment is only temporary. With its instituted seed system thriving, the company now turned to abdicating its responsibility—transitioning back to its “normal” market operations in which the company is just one actor within a given market rather than a patron for an entire society.

Today, Heineken aims to transfer its seed system “responsibilities” to the “appropriate” state and financial institutions. Holding proprietary rights over Traveler and Grace from French and German breeders, respectively, the company purchases
foundational seeds from the breeders each year, paying a royalty in return. Heineken then passes the seeds over to Oromo Seed Enterprise and other local seed multipliers licensed by the Bureau of Agriculture and Natural Resources for inspection and certification—overseeing the multiplication process. These multipliers, in turn, distribute the seeds through local unions, model farmers, cooperatives, and NGOs. Heineken is trying to remove itself from this process completely by handing its proprietary rights to the regional authorities. A representative from the ATA explains the importance of the smooth transition: “If they leave this seed system open it would be very dangerous for the country.” Here, the state is not trying to eschew responsibility, but is more than happy to exercise control over any aspect of agricultural development as it has done so over the past several decades. It has already begun doing this through the Oromia Seed Enterprise, which distributed 30,337.3 quintiles of seed in 2017/2018 compared to 174 quintiles of seed in 2010/11 as Heineken assists the institution in taking over the responsibility of managing the seed supply chain. Similarly, Heineken has already withdrawn credit from farmers who are now receiving loans from microfinance and banking institutions. Heineken’s unwillingness to give more loans has nothing to do with repayment structures, as only 3-4% of farmers defaulted over the past three funding years. Heineken just does not want to act like a bank. The same logic extends to

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its control over the seed system, which it too wants to relinquish to a more than willing developmental state. As another employee asserts: “Heineken does not want to continue with seed multiplication and distribution. It is not their core business.”.

6.4 Local Networks: Training, Control, and Resistance in Smallholder Farmer Barley Production

Arriving at a Farmer Training Center (FTC) located just outside of Asella, I am greeted by a parking lot full of horses, each tied to the facility’s main gate. It is Field Day. Around 200 persons including local farmers, CREATE project staff, agriculture extension employees, and myself gather in a large green-painted farm shed with a grayish silver tin roof. We squeeze into the space. It is 10am and the program has not begun, but soon a speaker appears at the front of the room. He begins with a salute to EUCORD, Heineken and the regional state for working together to bring "idigēt" (growth) and "lewṭ" (change) to the region. He states Heineken’s motto is "Grow with Ethiopia" so when the farmers grow the company grows because the "senselet" (chain) goes from the "geberē" (farmer) to the "grocery" before continuing on with a number of flatteries. He declares that Heineken has taught us a lot of different things and that today’s Field Day is for the further "masiltēna” (training) of the farmers so "rasachin le mashashal" (to improve ourselves). He emphasizes that it is not just one farmer that has to grow, but everyone has to grow together: “And sew bicha aydeləm. Be megebabat inadegalin. Zer bicha aydeləm gebiya le mageñet” (It is not just one person. Through understanding we will grow. It is not only seed to get the market). In other words, as a
larger goal, the farmers and key stakeholders must work together to strengthen the market. This includes keeping the “ṭirat” (quality) “iske fabrīca” (until the factory).

Figure 15: Parking lot of horses

When his remarks end, the speaker leads us as we exit the shed to examine six FTC research plots outside. Testing the productivity of either Traveler or Grace seed, each plot produces about 1-1.5 quintiles of barley in a control group as well as liquid fertilizer, normal chemical fertilizer, and silage comparison groups. We stop and discuss each plot and the importance of using seed and chemical technologies to get the greatest “ṭiqim” (use) from the land. A horse disrupts the conversation as it parades into the facility, starting to chow down on sindé research plots a little further down from us. A farmer throws a stick, shooing him away.
The speaker is finished and the question and answer portion of the meeting begins. The farmers have a flurry of inquiries: How can you tell the difference between Traveler and Grace seeds in the market? How much liquid fertilizer is needed per hectare? What is the cost? Yes, Heineken has done a lot for us but why does the company not pay us on time for our crops? The speaker answers these questions and more, but each time continuing to emphasize the importance of utilizing the technologies presented today. He declares that all of this is for your “lewṭ” and moreover that new “biqil dirijitoch abro inante sira yeseralu” (malt companies will work with you).31 We need you to be strong and manage your fields. When the meeting ends, crates of Pepsi and Mirinda appear as soda and bread are passed around to the farmers. They relax and enjoy the meal before mounting their horses and going about the rest of their day.

Field days and other state-sponsored agriculture programs are frequently used by the Ethiopian government and its donor networks to discipline the practices of smallholder farmers. Organized by region, zone, district, and local governments, Field Days are a common occurrence across Ethiopia. The government will sponsor events, often with donor partners, to encourage farmers to adopt modern planting techniques and technologies around a single crop such as maize, wheat, potatoes, sorghum, teff, and haricot beans. In affiliation with the CREATE Project, the local government

31 Referring to the looming privatization of Asella Malt Factory discussed in the third section.
organized barley specific field days to showcase the Traveler and Grace seeds as well as fertilizer and agro-chemicals across the Arsi, West Arsi, and Bali zones (as seen above). These field days are part of the Ethiopian government’s infrastructural network for agricultural development, which remains unparalleled in Africa. These networks are part of the government’s Agricultural Development-Led Industrialization (ADLI) policy, which aims to industrialize the country through linkages in the agricultural sector. According to the ATA Annual Report (2016-2017), agriculture is a great source of industrial potential as the sector accounts for 72.1% of all employment in Ethiopia and 36.7% of national GDP. Over the past decade, the Ethiopian government has spent annually around 14% of its national budget on agriculture development with the sector experiencing approximately 7% growth per annum. In order to achieve these goals, the Ethiopian government has constructed a vast agricultural extension program. Dating back to the mid-to-late twentieth century under Halie Selassie and Derg governments, agriculture extension programs were an essential part of national policy. Under EPRDF, these programs focused on increasing productivity of smallholder farmers through the establishment of farmer training centers (FTC) and Agricultural Technical and Vocational Education and Training Colleges (ATVETs) as well as the hiring of

development agents (or agriculture extension workers) in every local government. Such an extensive network is created to shape value chains across the country to meet the Party’s industrial agenda.

Figure 16: Field Day training

Through these networks, the Ethiopian government and Heineken collaborate to discipline smallholder farmers’ “mentality” by managing their seed choices and holding periodic training programs to exert control along the supply chain (albeit for different reasons). First, teaching farmers to differentiate between food and malt barley varieties was an initial hurdle faced by both Heineken and the Ethiopian government. According to a representative at the ATA, before Traveler and Grace, breweries preferred farmers

to use a seed called Holker due to its suitableness for malting. However, farmers did not like this variety due to its low yield, preferring to use Sabine and Bokoji varieties, less suitable for malting but with greater productivity. In order to meet the demands of the breweries, Assela Malt was blending these different varieties to find a balance. But with the introduction of the highly productive (and suitable for malting) Traveler and Grace, over 60 to 70 % of the farmers (in no more than three years) have accepted brewery preferred varieties. Second, along with the Ethiopian government, Heineken, through EUCORD, implements its own training programs and farmer packages to grow barley productivity and quality. Speaking to one EUCORD agronomist, he stated that his job is to give mikir, timhirt (schooling), and masiltena for farmers. He provides them with the “full-package,” which is seeds, agro-chemicals (herbicides, pesticides, fungicides), and training on behalf of Heineken. Through the assistance of development agents, EUCORD connects with local farmers four times a year for training: pre-planting, planting, pre-harvest, and post-harvest seasons. Trainings focus on everything from how to properly store seeds, maintaining moisture and avoiding infestation, to general crop management, how to prevent weeds, to how to maintain unused plots, to how to use a combine harvester. Each training is provided in the local language and afterward farmers are assisted through an agricultural support plan, in which a development agent will go assess their fields for what is needed. From my conversations with farmers, they are extremely receptive towards such aggressive training programs, which many value
as “forever” in comparison to the less predictable availability of seed and agro-chemical inputs. However, the training is strategic, as Heineken aims to discipline smallholder barley farming practices to meet its malt barley demand. The state, in tandem, is organizing smallholder farmers not only to increase productivity and quality of barley crop but to exert political control over the rural areas as it branches out into even the remotest parts of Ethiopia36 as development agents, hired to foster agricultural growth, are ultimately agents of the state selected on the basis of party loyalty.37 In this way, Heineken and the Ethiopian government are enacting CSR to arrogate either commercial and/or political control over the region.

Finally, with the assistance of local and regional governments, Heineken has also reorganized the malt barley supply chain into a system of contract farming, but not without resistance. Scholars have long explored how multinational companies have shaped global food supply chains.38 Anthropologists, specifically, have investigated the heterogeneous forces underlying these global supply chains.39 In Oromia, Heineken has organized local farmers into a hierarchal distribution system through model or nucleus farmers. Chosen by local development agents, the nucleus or model farmer is selected

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36 Berhanu and Poulton, S209.
37 Berhanu and Poulton, S207.
for his/her high standing in their farming community. These individuals are tasked with distributing seed and agro-chemicals to members as well as collecting the promised crops for Heineken at the end of the harvest season. This system of contract farming has also been adopted by Heineken’s competitors such as BGI, Diageo, Habesha, and even Assela Malt itself. Each company is building relationships with key smallholder farmers as beer companies are closely monitoring market behavior and practices along the malt barley supply chain (smallholder farmers --> model farmers, cooperatives, and/or unions --> Assela Malt --> the beer factories). However, despite attempts to reorganize the value chain through contracting, smallholder farmers continue to resist such disciplinary mechanisms as top down initiatives encounter local frictions. For example, farmers continue to sell crops around their own seasonal calendar based on national and religious holidays. Expectedly, planting begins June-August, while harvest is October, November, December. However, the farmers sell 15% (or greater than) of their crop around Timket (the Epiphany), 50% is sold March-May, and the remaining (a small amount) is sold in June. There is also an issue of farmers not fulfilling their contractual agreements due to side-selling. One model farmer told me that although it makes him happy to see his fellow farmers doing well “menkebakeb yidekamal” (taking care is tiring) “yaschegeral” (it is problematic) when trying to get farmers to fulfill their obligations to

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Heineken, as organizing them is an overwhelming process. For example, in 2016, 200,000 quintiles were promised to Heineken but only 160,000 arrived with the other 40,000 sold to beer companies and agro-industries willing to pay a higher premium. Although the farmers payback Heineken’s loan through cash, the barley promised often disappears. A representative from Heineken states: “Ferenjoch (non-Ethiopian) think the farmers have no options but they have many options. Farmers love getting credit and they sell to someone else…They don’t care about contracts. They will sign any agreement and then break it by selling to someone else…” Finally, farmers are always thinking about barley in relationship to other crops such as maize, teff, and bread wheat, and haricot beans—going to the crop that has the most advantageous price and level of productivity with wheat and potatoes being a local favorite. Barley is not their only planting option and farmers will only grow it if it suits their interests.

6.5 The Politics of Price: Assela Malt, Price Floors, and the Delala

Touring Assela Malt Factory for the first time, a production manager guides me through the state-owned facility. Trucks arrive to deliver barley received for inspection as workers first weigh and then analyze for grain quality. The barley is classified into three grades based on size: Grade 1 (2.5 to 2.8 mil), Grade 2 (2.5-2.2 mil), and Grade 3 (less than 2.2 mil). After this initial quality check, the grain goes through a cleaning

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41 Grade 3 is sold for cattle feed because it cannot be malted.
process, much like malt barley before brewing, moving through a magnetic machine that separates metals from the grain before being transferred into silos for storage. There the barley sits until it is ready to be manually moved to the molting pot where it is mixed with cool water for 32 hours before being transported to a germination room split between six older germination boxes—manual—and four new germination boxes—automatic. Each box can hold about 75 tons of grain. Grade 1 grain germinates for five days with irrigation every 12 hours, while Grade 2 grain germinates every four ½ days with irrigation every 10 hours. We move to the factory control room, which operates on a standard programmable logic controller (PLC) system. The production manager points to the silos on the screen. He says that each company—Heineken, Diageo, BGI, Habesha—has the right to request their own silo. They just have to call and say they have barley seeds for delivery and the factory will reserve a spot for them.
The antiquated Assela Malt Factory is a critical bottleneck for malt barley production in regards to quality, quantity, and most importantly price. Unlike the updated national breweries, the state-owned Assela Malt is labor-intensive—a mix of standard automation and manual technologies. Built by the Derg in 1984, the factory initially had a capacity of 10,000 tons of malt barley per annum, which has grown to 36,000 tons of malt barley per annum in 2017. Before the CREATE Project, Assela Malt struggled to source local breweries with its malt barley because of low farmer interest due to unfavorable pricing causing production halts as late as 2014.42 The factory would have to wait for barley imports before resuming operations, but only a year after

Heineken’s entrance, Assela Malt began to strictly source its barley locally, ending importation for three years in a row (2015, 2016, and 2017). However, with this opening up of the market, Assela Malt found itself limited in its malting capacity, only able to process a maximum of 500,000 quintiles of raw barley per annum, and unable to fulfill the demands of local breweries not only in terms of quantity (in the millions), but also quality. To address these concerns, Japanese Kaizen management programs as well as integrated performance measurement systems (IPMS) were implemented by the state, but unsolved bottlenecks led to higher prices. As one Heineken representative lamented: “The malting fee is too high. In 2015, it was 872 malting fee + 1037 birr per quintile + transportation = 2,000 birr. We are paying for their inefficiency. The malting fee is the same price as gebis itself!” He states that Heineken recently changed its strategy, buying malt directly from the factory, instead of delivering barley first in order to reduce costs. Value chain issues such as these have led Heineken and other breweries to encourage the Ethiopian government to privatize Assela Malt. At first the government resisted due to fear of a regional monopoly outside of itself, but with the presence of several beer companies in the region and the possibility of expansion by other interested malting agencies, Assela Malt Factory (100%) was placed for bid in 2018. The initial hope by the breweries was for an international malting company to enter the market, but the

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43 Whereas in previous years 40-60% of its malted barley was imported.
44 Bid Notice No. 001/2017-2018 by the Ministry of Public Enterprises at the beginning of 2017.
45 Gondar Malt Factory’s completion in the Amhara ethnic regional state in 2013 also quelled fears of monopoly.
Oromia Agricultural Cooperative Federation acquired the factory instead for 1.34 billion birr against bids from Calypso Agribusiness, Soufflet Group, and Malt Africa— all above the initial valuation of the company at 866.7 million birr by the Ministry of Public Enterprises.46

In general, price as it relates to supply and demand, is an area of contestation among the state, breweries, and farmers. Several anthropologists have examined the political and socio-cultural elements underlying pricing in distribution and supply networks.47 In Ethiopia, the price of barley is determined through a committee that meets each year in December/January. The group is comprised of key stakeholders along the barley supply chain. This includes breweries, malt factories, unions, cooperatives, model farmers, federal and regional state entities, parastatal organizations, etc. Collectively, they set a price-floor for locally sourced barley, taking into account contingencies such as farmer production costs and international pricing. For Heineken and the other breweries, this price is “artificial” as they would prefer that the “market” determine the price. It is also “inflated,” for example, in 2016, the base price of 860 birr per quintile for locally sourced barley was higher than the import price. This does not include transportation and shipping premiums which brought the price above 1000 birr per quintile. This pleased the farmers, but dismayed the breweries that witnessed the

price go up despite increased productivity. As one agronomist stated: “the assumption is that if quantity goes up price goes down— “yih tikikil science new gin yih ager yichemiral” (this is the correct science, but in this country, [the price] increases). He tells me that they are trying to teach the farmers to not focus so much on price, but increasing yield, stating “if you go from 20 to 40 to even 60 quintiles and sell 20 for 2,000 birr and 60 for just 1000 birr it will be 40,000 versus 60,000. You get your money in yield and not in price.” However, the farmers have not fully embraced the market principles that govern price. A local representative from EUCORD states: “Farmers expect a rise in price every year, while Heineken expects the price to decrease so we have a difference and we are trying to negotiate between them.”

However, where there is disagreement about pricing mechanisms, the state, breweries, and farmers can agree on one pesky price raising issue— the delala. Before Heineken, there were major asymmetries in market information on malt barley pricing on the side of smallholder farmers. Although Assela Malt holds a regional monopoly, in the past, the factory has been highly delayed in informing farmers about its pricing. Impatient farmers would sell their crops to a delala (broker), specifically an illegal trader or private broker that would collect and blend food barley and malt barley for sale. By the time Assela Malt was ready to set its price for Grade 1 and Grade 2 seeds, the barley was in the hands of these traders who would reduce barley malting quality through mixing but also gouge prices up to 200-300 birr per quintile higher than the farmer’s
initial asking price. Both the government and breweries were determined to breakup such informal practices through the model farmer programs as well as by strengthening cooperative and union distribution systems, effectively pushing out the delala. One individual jokes about this sudden turn of events: “[The delala] are complaining to the government, look we are paying taxes too but you are supporting unions and farmers, but not supporting us.”

6.6 Civil Unrest: Ethnic Tension, Land Conflict, and Youth Unemployment

Traveling along an unbearably bumpy road, our jeep moves deeper into the rural outskirts of Kofele, a town just outside of Shashemene in the West Arsi Zone. Several Heineken, EURCORD, and government vehicles quickly pass us—their Toyota Trucks and Land Cruisers run along the clay-colored road, kicking up dirt and leaving behind a trail of haze, dust, and exhaust smoke. It is almost an hour before we arrive at the valley—a remote grassy green plain. A line of CREATE Project staff and government affiliate vehicles are already parked below. Soon farmers arrive on horseback.

We have all come to survey an 80-hectare plot of land farmed by local youth groups. Over the past year, the CREATE Project has supported hundreds of young farmers in the area with seeds, agro-chemicals, training, and technical support. The program came to pass when the regional government vouchsafed the 80-hectare plot, along with a tractor, to local youth as an act of appeasement. Granted to them in the wake of the 2016-2017 protests, the plot of land was seized from a foreign investor who
“did nothing with it.” However, without the capital and training to farm the land, the youth groups approached Heineken for support. The company obliged, incorporating them into their CREATE programming.

CREATE staffers, government personnel, farmers, and myself wander along the youth’s marginally tame barley fields almost ready for harvest. Not planted on a tight grid system, the crops sit along open oscillating hills and crowd around uncut sycamore trees. In some areas, the yield is tall and dense, while in others patchy and short—dotted by yellow weed flowers. To survey the entire area, we carve out a winding path through the fields until it opens up to a reddish dirt clearing at the top of the valley. We inspect, chat, and joke along the way.

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48 These trees are important to the local faith.
Figure 18: Surveying youth fields

A representative from the zone governmental administration speaks. He declares that it is the responsibility of the woreda (district) to create sira idil (work opportunities) for the youth, but the youth need to also take advantage of these opportunities. With national population steadily approaching 150 million, there is a great need to focus on "mirt mechemer" (yield increase) for food security but also for agro-industries such as malting with the several European companies coming with new biqil factories. Trying to replicate the results of CREATE in other zone districts, the government is giving "tikuret" (focus) on the barley value chain in order to support the farmers (he also discusses the possibility for farming dinich (potato) so the youth have two crop choices).

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49 At this time, it was assumed that it would be an international company that would win the privatization bid.
He ends by declaring that the youth must become involved in the national development program "limat megebat alebachu" (you must enter development) adopting seed and agro-chemical technologies as well as undergoing training to not only grow the market but themselves.

Driving away from the gathering, I felt a sense of optimism for a region recently rocked by unrest. Over the past several months (2017), Kofele and other districts in Oromia experienced sporadic uprisings. Neither covered by national nor international news due the lack of journalists across the country, I would only hear whispers of protest and rebellions. It was only through speaking to business persons (contractors, distributors, and retail-outlets) who have had their supply and distribution chains disrupted that I am able to get an idea of which districts were experiencing rebsha (unrest). Nervous, but determined to conduct the final stages of my field research in the region, I travelled to Arsi and West Arsi against the advice of family and friends. The trip was marked with tension. My jeep would get an occasional rock thrown at it by local children in their school uniforms. I was reassured by CREATE staff who told me not to worry as everything was calm. It was just children being children. However, as I would soon experience firsthand, nothing was fine. In reality, the success of the CREATE Project was just a drop in the bucket of widespread dissatisfaction at structural problems affecting the Oromo regional state, particularly deep rooted ethnic tensions, high youth unemployment, and land conflict.
Less than an hour after the CREATE event, my driver and I were confronted by a spontaneous uprising as we turned left into the town’s main road from our long backcountry dirt path. Thousands of youth were marching down the street. Carrying rocks, and heavy sticks, they were chanting "Woyané léba" (Tigrai thieves). "Taṭef! Taṭef! (Turn! Turn!)" I yell at the driver, begging him to turn along the intersection’s roundabout, hoping to return back the way we came. He ignores me. In shock, he instead drives several yards into the mass of incoming protesters. We immediately find ourselves surrounded by 40 to 50 youth. I place my hands up in an X to show solidarity with the protesters. Some nod and cheer on my declaration of support. Others are more suspicious. Several children crowd around the driver’s window. They demand to know our ethnicity. Trying to speak to them in Amharic, the children reject the driver’s pleas. He improvises. Although ethnically Amhara, he adamantly states that he is Oromo, explaining he grew up in Addis Ababa so he does not know Oromigna very well, spouting some local dialect he learned on the streets to appease the youth as well as giving a false surname. They are unconvinced. They point towards me. He tells them I am American. I play along speaking in English and waving to the crowd. They are unsure. I look Habesha but my mannerisms mislead them. The danger here is that I am half Tigray and my surname, if asked for ID, would reveal my ethnic affiliation, but thankfully they did not ask.

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31 The danger here is that I am half Tigray and my surname, if asked for ID, would reveal my ethnic affiliation, but thankfully they did not ask.
teenager tries to force himself through the passenger door. Another shouts in Amharic that he will show me.

After several minutes, the youth were still indecisive about our fate, still debating whether or not to burn our jeep. An older member of the community intervenes. Pushing them out of the way, he helps me from the car. The driver jumps out as well. By this time, I am slightly faint, my head dizzying as he shoos the kids away. A EUCORD staff member also appears. He saw the youth surround the vehicle from the distance. He, along with the other man, continue to convince the protesters to leave us alone. They guide us into a tiny grocery not too far away, hiding us inside. We wait until the uprising passes.

When it is finally time to leave, one of the men from the bar (I was too dazed to remember who) drives with us to the edge of town—just in case. The road is clear and we quickly reach its limits. He gets out and wishes us well, waving goodbye. The driver and I continue our journey, speeding along the road, going a few kilometers before reaching an area clear of people. He abruptly stops. Getting out of the car, he goes to the back of his jeep, removing his bumper stickers of Emperor Menelik and Halie Selassie. “People around here do not like such things,” he mutters. He returns to the car. We ride the rest of the way in silence—fearful of what may find along the road to Assela.

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52 Previous Emperors of Ethiopia who are loved by many but reviled in this region due to oppressive policies towards the Oromo peoples.
Ethnicity played a particularly salient role in the protest that day. Over 30 years after its foundation, the Federal Democratic Republic of Ethiopia—a country conceived on the grounds of ethnic federalism—is rife with inter-ethnic rivalries and conflicts. Achieved with “ideological rigour” rather than piecemeal reforms, ethnic federalism was implemented through a top-down (versus bottom-up) process in Ethiopia. Over the past several years, historic and emergent grievances among Tigray, Amhara, Oromo, and Somali ethnicities have come to a boil. Most prominently, the Tigray People’s Liberation Front (TPLF), the most dominant faction of the Ethiopian People’s Revolutionary Democratic Front (EPRDF), has received harsh criticism for its control of the military and other lucrative state-owned enterprises such as the Metals and Engineering Corporation (METEC). On the day of the protest, the youth were chanting "Woyané lēba" against TPLF as they marched down the streets. Representing less than 7% of the national population, TPLF exercises power beyond its population percentage in comparison to the Oromo peoples that comprise more than 34% of the nation’s population. In Ethiopia, Heineken and its affiliates try to operate apolitically, avoiding ethnic politics and appeasing and the local population through CSR programming in

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order to continue business uninterrupted. However, stepping on toes is inevitable as the company, early on, found itself on the receiving end the Oromo people’s wrath due to their affiliation with Teddy Afro. This is partly why Heineken enacted its CREATE project through the patronage model rather than a sustainability model, due to the fear of upsetting an already volatile population.

Along with ethnicity, over a decade of large-scale land acquisitions have fomented local outrage in the region. With its announcement of the Agricultural Development-Led Industrialization (ADLI) policy in 1992, EPRDF’s initial focus was to increase the productivity of smallholder farmers through agriculture development programs—eventually transforming subsistence farmers into commercial producers organized around thriving agro-industries. However, by the late 2000s, the party began leasing out parcels of land to foreign and domestic investors specializing in large-scale mechanized agro-commercial farming for export. These lands were sold at ghastly low prices to foreign companies like Karuturi Global at a rate of $2.50 per acre. Such “land grabs” have led to the dispossession and marginalization of not only smallholder farmers but pastoralists—harming local ecologies, undermining customary land rights,

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55 A famous musician who praises past imperial kings in his music
and threatening local food security—through mass evictions.\textsuperscript{57} In the Oromo region, the government has leased out more than 1,000,000 hectares of land to commercial farm investors\textsuperscript{58} by invoking state expropriation and leasing laws that contradict general federal laws protecting the rights of pastoralists and indigenous peoples.\textsuperscript{59} Heineken and the zone government’s focus on smallholder farmers through CSR attempts to alleviate tensions arising from these “land grabs”. In response to unrest, the government even seized land from a commercial investor and returned it to the local youth. A focus on smallholder farmers veers away from the political pitfalls associated with large-scale commercial farming across the country. Heineken, selling its beer nationally, would much rather associate itself with being a friend to the smallholder farmer rather than to a foreign commercial farm.

Finally, at the center of the protests, is the perennial issue of youth unemployment. Today, it is reported that unemployment in Oromia is as high as 80% with 6 million being youth.\textsuperscript{60} Daniel Mains’ \textit{Hope is Cut: Youth Unemployment, and the Future in Urban Ethiopia} (2011) follows the lives of men who pass their days joking, chewing \textit{qat}, and watching movies as employment (progress) evades them, some

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\textsuperscript{59} Tura, 253.
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looking to a “spatial solution” (i.e. international migration) to solve their social immobility. Under EPRDF, the expansion of Ethiopia’s primary and secondary education systems has led to the graduation of many youth into an economy without enough jobs to provide the upward mobility that education promises. Youth such as those described by Mains were at the center of the 2005 political protests in Addis Ababa. The same issue persists today with protests being led by youth unable to secure a job post-schooling. In a response to these issues, the Oromia regional state budgeted around 6.6 billion at the beginning of 2017 for youth job creation programs, including 1.5 billion in financial capital through loans. However, disbursement was slow and tensions continued to rise. By the fall of 2017, speaker of the house, and former president of Oromia, Ato Abadula Gemedu resigned from his post after several violent clashes between the Oromo and Somali peoples in eastern Ethiopia. By early 2018, former Prime Minster Hailemariam Desalegn would resign from his post as well, leading to the appointment of Abiy Ahmed, parliamentary representative and the former deputy president of Oromia, as Prime Minister. Through CSR, Heineken, with its government affiliates, aims to win over the goodwill of Oromo youth by tackling the unemployment issue or as the zone representative declared, the importance of incorporating youth into

61 In the protests I experienced, the vast majority of marchers were young men (early teens to late twenties).
the state’s developmental agenda. However, the structural problems of unemployment go beyond what any CSR program can remedy as this issue has plagued the region for over a decade and is still without resolution.

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The following day, I leave Assela to meet with CREATE project staff at a nearby hotel in Bekoji. Searching for gasoline along the way, the driver and I are forced to scour the town’s side streets for diesel sold informally out of canisters. We find some people. They charge us a premium price. We finally arrive at the hotel. The CREATE staff are already here— sipping coffee and enjoying their breakfast. There is no electricity for tea so I order a coffee. The project staff immediately bring up the protests from the day before. They have either heard or firsthand saw what happened to the driver and I. They simultaneously laugh and lament over our experience. One staffer retells the story, saying that he was behind our car when we turned the corner. He watched as our jeep became engulfed by protesters who ignored his car, marching along and chanting “yehizb mekina new atneku” (it’s the people’s car do not touch it). He points out that they must have realized that our jeep’s targa (license plate) was not from the area and further neither us could speak Oromigna, which nearly landed us in trouble if not for the staffer who came to make sure everything was alright. The driver jumps in to talk about the dulawoch (the sticks) he saw the protesters carrying and how afraid he was they were going to attack. As I listened, I felt hot inside. My chest tightening as I remembered the
sea of lifted arms and angry faces. Apparently, the protest started due to corruption at a local telecom office—something about an unauthorized turning off of cellular or wifi access in the area—it is hard for me to follow—the crowds eventually dispersing after the targeted official was arrested. The staffer states that his car was stuck in traffic for awhile afterwards because there were so many bodies in the street, so they just blasted Oromo music, sat back, and relaxed until things cooled down. Looking at my coffee as the men continued to chat, I recall an interaction with another staffer almost a year ago. I asked him how Heineken continues operate in such a tumultuous region. I remember his words: “We were free because the farmers were happy with us.”

6.7 Conclusion

Heineken and the Ethiopian government’s success in strengthening the barley-to-malt barley supply chain through the CREATE Project is an example of how investment in the beer industry can lead to the development of critical backward linkages in the agriculture sector. However, this success must be interpreted within larger ethical questions and structural problems in Ethiopia. Foremost, Heineken and the Ethiopian government’s partnership brings up the issue of responsibility. It posits what is the corporation and the state’s responsibility to those who it serves, and should those responsibilities be strictly defined? To clarify, one of the reasons why the project was a success is that Heineken moved out of its conceived notions of what it perceives to be its responsibilities to society—begrudgingly acting in the “role” of research
agronomist, bank, and state for a period before the state and other financial entities took over. Further, the flow of capital generated by Heineken was, most likely, in part why local cooperatives were able to outbid foreign malting companies for the rights to Assela Malt Factory by 2018. Secondly, there is the issue of control and options. Because farmers had “options”—multiple breweries and agro-industries to sell to—, they were able to resist state and corporate discipline when their interests collided but also embrace them when interests coincided. And finally, although the CREATE Project was a success, and Heineken beloved by the locals, there are still larger structural issues at play as ethnic conflict, land dispossession, and youth unemployment rock the Oromo regional state. If any industrialization agenda is to succeed in radically transforming a society, it cannot just create linkages but address these critical problems causing national instability and unrest.

“Ethiopia is a country at the level of emerging capitalism and when you are at such an emergent level you don’t have all the necessary institutions. The system is not mature. Institutions are continuously beginning created, destroyed, and realigned especially in regards to industrial development as we are now in that process.” — The Architect

When I first began my research on the operations of multinational alcohol companies in Ethiopia, I knew that I wanted to write about the country’s privatization policy. In Ethiopia, state-owned enterprises (SOEs) dominate major industries such as banking, aviation, telecommunications, and shipping. On occasion, the government will privatize a handful of SOEs through a national auction system and/or liberalize and deregulate the sector by opening up the market to competition as they did with the beer industry during the 2010s. Determined to situate my ethnographic field research on the beer industry within Ethiopia’s privatization policy, I set out to map the relationship between the state and the burgeoning private sector — an ethnography of national economy in Ethiopia.

As I would soon discover, this line of research would be a cumbersome and disorienting task. Running around Addis Ababa, I found myself deeply confused and frustrated when trying to navigate Ethiopia’s ever-changing bureaucratic landscape. The first issue was locating ministry and agency buildings. Some institutions such as the

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1 Many of these SOEs were inherited from the former Soviet-backed Derg government, but others were formed under EPRDF. In my introduction, I refer to them as IPEs.
Ministry of Trade (MoT) and Ministry of Industry (MoI) were easily found, sitting in the middle of town, structures longstanding and visible to all. Others, however, were more difficult to pin down such as the Ministry of Public Enterprises (MoPE)— in charge of both privatization and the management of SOEs— and smaller industry-specific agencies such as the Food, Beverage, and Pharmaceutical Industry Development Institute. Specifically, I spent a week trying to locate the Ethiopian Privatization Agency (EPA)— an institution I soon embarrassingly discovered was disbanded years ago as its operations are now under the MoPE.²

Once I did locate my desired institution, I would then find myself in “African” bureaucratic limbo— spending days being shuffled back and forth between offices as I tried to get access to documents or procure interviews from people other than the designated public relations officers. The employees also viewed my presence with suspicion. At one point, I was even locked into a room by a government worker determined to limit my movement within the office halls. Still, each day I would return, stalling by scoping out a building’s public library,³ — chatting with librarians and pawing through magazines and catalogs—, while waiting for an opportunity to open up. However, when I was finally granted access to interviews or documents, my reward was often underwhelming. For all the bureaucratic obfuscation and the secretarial

² The combination of privatization and public enterprises into one Ministry will become important in the following pages as the government coordinates efforts between both.
³ Government offices in Ethiopia usually have a public library with related reading materials.
hubbub over office procedure, the final reveal was often next to nothing—documents scattered in an unorganized mess, papers in Amharic and English, unintelligible scribbled text, misleading or out of date information, some pages misplaced, others with an excess of copies. Meanwhile, interviews, while informative in their explanation of general procedures, were at times contradictory. For example, one ministry representative referred to privatization as Ethiopia’s “engine of growth”, while another championed the role of SOEs in national development.

Trying to pull all these pieces together, I found myself in the grassy gated villa of The Architect. A key member of the ruling party, he was central in designing the privatization program but also the country’s development policies of past and present. Saving this opportune interview until the end of my research—so to be as incisive in my questioning as possible—I asked about the relationship between the state and the private sector in Ethiopia. It was a long conversation about how state intervention was central to Ethiopia’s private sector development. Specifically, he chronicled the ruling party’s tense exchanges with the international community over structural adjustment reforms—one of the issues that led to a splinter within EPRDF in the early 2000s as some wanted to give into international pressure. Then Prime Minister Meles Zenawi won that dispute as he remained steadfast in this refusal. The Architect states: “We have our own program— an Ethiopian style of capitalism.”
My conversation with *The Architect* would continue and from it—and the support of my fieldwork observations—I would quickly come to infer two things about Ethiopia’s privatization program. First, privatization in Ethiopia is not just a result of top-down neoliberal polices prescribed by the international community, but a highly politicized process strategically designed to circumvent private sector monopolies that might undermine the state’s control over its national economy. Secondly, privatization was not done for privatization’s sake, but deliberatively implemented by the state as a revenue generating strategy. However, months later I would come to a third less obvious conclusion. Situated within a maze of shifting institutions, contradictory policies, and muddled laws, the privatization program was also part of a flexible bureaucratic structure wielded by the ruling party, with and against capital, in order to assert the state’s dominance over foreign (and domestic) industry, dictating the direction and terms of Ethiopia’s industrialization and thus its national economy at-large.

### 7.1 Chapter Argument

In “Toward an Ethnography of the National Economy,” Hannah Appel analyzes how national economies become “intelligible”—representational spaces of authority—and “compelling”—objects of imagination and affective desire. Drawing from her own

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4 When I say “state” I am referring to the ruling party (EPRDF).
5 Revenue is gained from auction bid price, taxation, export earnings, and future linkages.
ethnographic fieldwork in Equatorial Guinea, she argues that the oil rich country’s national economy is both a reproduction of colonial historiography—a “communicated field of political contestation and the sequelae of colonialism” — and a site of imagined futurity through fantasies of economic diversification as the state attempts to overcome the “resource curse” through the development of energy, forestry, fishing, and tourism industries. Appel transcribes such aspirational pronouncements: “By 2020, Equatorial Guinea will be a successful African model of the transition from a petroleum economy to a diversified economy. Equatorial Guinea will be the first country in the global South to have avoided the resource curse.”

A landlocked non-oil producing low-income country, the national economy of Ethiopia serves as an interesting foil to Equatorial Guinea—a sea-bordering oil-rich upper middle-income country. Unlike Equatorial Guinea’s history of colonialism, the Ethiopian national economy becomes “intelligible” through a 19th and 20th century history of rebuffing colonial and imperial threats. These divergent historiographies have major implications on the role of the state as it relates to national economy as the Ethiopian state was not a product of anti-colonial struggle, but emergent from a concessionary history. Meaning, the modern Ethiopian state is formed from a period in which the then Emperor contended with colonial aggressors by granting them key

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7 Appel, 308.
economic concessions to strategically create conflict between them. He did this not only to protect the territory from being taken over, but used revenue gained from these concessions to fortify his own power. This is very different from Equatorial Guinea, which like many African states, emerged at the moment of post-colonial independence. Today, however, both national economies become compelling through the promise of industry and its role in economic development, albeit Equatorial Guinea through a narrative of overcoming the “resource curse” and Ethiopia through fantasies of becoming a “middle-income country by 2025” — a slogan seen across all bureaucratic agencies in Ethiopia. Throughout this dissertation, such imaginations of the national economy as a site of industry-led development also play out in the creation of forward and backward linkages as people’s affective and symbolic associations with modernity (chapter 3), profit and wealth (chapter 4), technology (chapter 5), and seed productivity (chapter 6) manifest in unexpected ways.8

However, this framework of conceiving the national economy as “intelligible” and “compelling,” although useful, does not allow for an analysis of how the national economy is reproduced through collaborated and contested encounters between state and the private sector — a dynamic that unfolds on the level of bureaucracy, meaning a state system of institutions, policies, and laws, mediating the formation, entrance, and

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movement of capital within the territory.⁹ Taking the national privatization program as my example, I argue that the neo-concessionary politics of the Ethiopian state play out through an orchestra of institutions (ministries, agencies, intermediary institutes, SOEs), policies (Growth and Transformation Plan I & II), and laws (proclamations) — formed, amended, merged, split, and disbanded — for the dual purposes of protecting and enhancing its own power. The conductor (the ruling party) organizes the orchestra (bureaucratic infrastructure) in ways that 1) rebuffs the possibility of foreign economic monopolies (pre-and-post privatization) and 2) generates new channels for state revenue (post-privatization).¹⁰ Appel states that “while the national economy undeniably opened up contingent and unstable spaces of expression, dissent, or opportunity for private gain, it was fundamentally, a state-sanctioned and state-building project.” But she continues: “‘If you come with the right partners,’ you can pretty much do what you want.” Similarly, this chapter views the national economy as mainly a state-led project. However, unlike post-colonial Equatorial Guinea, the neo-concessionary Ethiopian state jockeys to both control and benefit from the private sector—not just to “partner” with it

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⁹ I take Max Weber’s claim that bureaucracy is a “power instrument of the first order for the one who controls the bureaucratic apparatus” (1946: 228). In Ethiopia, bureaucracy is the tool wielded by the ruling party (EPRDF) to meet its ideological developmentalist agenda.

¹⁰ The object of my study is the nature of bureaucratic apparatus itself not as a static entity, but a dynamic ever-evolving space formed through and wielded by a highly politicized process. This departs from much of the anthropological literature, which focuses on what exists within (or is affected by) the apparatus itself whether people (Gupta 2012 and Herzfeld 1992) or artifacts (Hull 2012).
to gain immediate wealth as would be the “extraverted” style of other African
countries.\textsuperscript{11}

The following pages conceive of the national economy neither as an
“epistemological project,”\textsuperscript{12} in the Foucauldian sense of governmentality through state
measurement tools such as GDP, nor a compelling object of imagination and desire, but
an ethnography of institutions, policies, and laws in flux as the bureaucratic apparatus
becomes the site at which the state exercises control over and seizes power from global
corporate capital. Section One (\textit{The Logics of Privatization: Control, Revenue, and the Neo-
Concessionary State}) explores how the “Privatization Programme” in Ethiopia has
steadily become an arm of the Ministry of Public Enterprises (MoPE), a bureaucratic
office responsible for running SOEs, as the state exercises control over its national
economy through a pre-privatization deliberation process. Next, I show how the state,
through national planning, duly extracts revenue from companies post-privatization,
which it in turn funnels into its developmentalist projects—a process undergirded by a
national principle of “policy independence.” Section Two (\textit{The Logics of Corporate
Governance: Shareholding Law and the Banking Sector}) examines how the state yields
control over industry post-privatization through a legal process that slows down merger
and acquisitions as well as limits the movement of money in-and-out of the country.

\textsuperscript{11} See Introduction for conceptual discussion on differences between \textit{neo-concessionary politics} and \textit{extraversion}.
\textsuperscript{12} Appel, “Toward an Ethnography of the National Economy,” 297.
7.2 The Logics of Privatization: Control, Revenue, and the Neo-Concessionary State

In Ethiopia, the privatization process is tailored to exercise control over domestic industries. When interviewing state officials about what makes a company eligible for privatization it usually turns into a conversation about why a company is not privatized. Two reasons are given. The first is to secure what The Architect calls the nation’s “common gates,” strategic sectors (railroads, airlines, banks, shipping lines, waterways, and telecommunication networks) not only essential to the country’s development but security. For example, one representative at MoPE insisted that Ethio Telecom is not privatized because it is “wesen” (a boundary) for the country. Private companies will not build in the “geter” (countryside) but the government has a larger plan of expanding into smaller towns and developing the outer regions. The second reason is to avoid private sector monopolies—especially by foreign companies. The limits of what domestic and foreign companies can invest in are listed in the Investment Proclamation No. 769/2012 and the Investment Incentives and Investment in Areas Reserved for Domestic Investors Council of Ministers (Amendment) Regulation No. 312/2014. The restricted industries are strategically put in place to prevent the rise of market monopolies that might affect the state’s territorial control. For example, in a case most relevant to my research, Assela Malt, a factory that supplies malt barley to Ethiopia’s breweries,

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13 Currently, Telecom is up for partial privatization after the ascent of Prime Minister Abiy Ahmed to power. I discuss this emerging development in the conclusion.
remained state-owned for decades for fear that an international malting company would come in and take advantage of the local barley farmers. However, with so many national breweries offering competitive pricing for malt barley, growth following the CREATE project, and the fact that the TIRET Endowment planned on expanding the operations of Gondar Malt Factory in northern Ethiopia, Assela Malt’s privatization became a viable option as the chance for monopoly (and angering farmers in an already volatile region) became less likely.\textsuperscript{14}

Just as important, but not as explicitly discussed among bureaucrats, privatization also allows the state to enhance its own power through the collection of revenue through 1) the auction bid price, 2) taxation, 3) export earnings, and 4) forward/backward linkages, most of which is funneled back into state developmentalist projects. In the case of Assela Malt, its recent sale earned the MoPE 1.34 billion birr (or $48.8 million) from its auction.\textsuperscript{15} The company’s privatization also relieves the Ministry of its operating costs, while allowing the state to continue generating revenue through corporate and value added tax. Next, it would create the opportunity for international malt barley exports, aiding the nation’s dwindling foreign currency reserves. And finally, privatization generates forward and backward linkages in other sectors such as

\begin{footnotesize}
\begin{enumerate}
\item See Chapter 6 for discussion of Asella Malt’s operations and privatization
\end{enumerate}
\end{footnotesize}
packing and distribution businesses, leading to further sector and regional growth as part of the government’s larger industrialization policy. An overall “technology of governance”\(^\text{16}\), the neo-concessionary state privatizes in order to generate revenue (and not in the face of international neoliberal pressure) as it aims to reinvests these funds into large-scale infrastructural and industrial projects—allowing the state to enhance its own political and economic power at home (and even regionally).

### 7.2.1 The Privatization: History and Process

In Ethiopia, the privatization process is as follows\(^\text{17}\): A supervising agency determines which public enterprises are eligible for privatization and which are not. If it is deemed “necessary” the public enterprise will be converted to a share company before the sale. Next, the enterprise or share company will undergo a valuation process conducted by either a federal or private agency (i.e. Ernest & Young) for larger assets valuations. When this is completed, the MoPE notifies the public that a “chereta” (auction) will be held for a private contract, joint-venture, or 100% share company sale. Domestic and foreign media are contacted. This includes investment magazines, radio stations, television, and websites. The Agency also contacts the Ethiopian Investment Commission (EIC) to alert the Ministry of Foreign Affairs of the bid in order to advertise


\(^{17}\) This section is written from several interviews with representatives at the MoPE as well as access to primary and secondary resources provided by the Ministry’s library.
the auction through foreign embassies and their international partners. The auction is open for approximately a period of two months, enough time to garner enough interest before a winner is selected. If there is not enough interest the agency and selected buyers will go into “diridir” (negotiations). If a price is not agreed upon, the auction will be canceled.

If the agency agrees to grant the bid, the selected investor is responsible for submitting a business plan, which the agency will mull over to assess the company’s objectives, agenda, and/or reason of interest. The Public Relations Coordinator of MoPE states that they are looking for a few red flags. Foremost, the agency wants to make sure that the investor has the “agent” (capacity) and “limd” (experience) to administer the project. They want to make sure that it is not a “limid yelem balehabit” (investor with no experience). Secondly, they are trying to assess if the investor is a speculator who wants to buy the assets and later sell them at a higher price, which the Coordinator states is illegal in Ethiopia but okay in countries like Tanzania. The privatization agency and investor will also jointly determine the appropriate currency of payment whether in birr or a convertible foreign currency. And finally, after the sale, there is post-privatization review where the Agency will follow up to make sure that operations of the company are going smoothly. This privatization process (although seemingly uncomplicated) is the result of two-and-a-half decades of bureaucratic transformation as the state continues to shape the national “Privatization Programme” to meet its political ends.
over the years. In the following section, I show how the “Programme” has become increasingly co-coordinated with the developmentalist operations of SOEs.

Beginning with the ousting of the Provisional Military Government of Socialist Ethiopia (Derg) and the entrance of the Transitional Government of Ethiopia (TGE), the new governing party established the Ethiopian Privatization Agency (EPA) under Proclamation No. 87/1994 and Amendment No. 52/1996, which established the agency Board of Trustees. Under the then Ministry of Trade and Industry, the agency was responsible for investigating contested claims of ownership regarding property confiscated by the Derg regime, but more importantly it was tasked with the responsibility of liberalizing the Ethiopian economy by privatizing the numerous SOEs under government control.

However, privatization was slow-paced under the EPA. Between 1996-2000, the agency privatized a mere 200 public enterprises primarily comprised of small shops, department stores, and restaurants (80%) as well as factories, farms, and warehouses. Of these 200 public enterprises, only sixteen were sold to foreign investors with nine from Saudi Arabia and the rest being from Yemen, Turkey, China, and France. During this period, the government also made several attempts to privatize its state-owned beverage share companies but was unsuccessful. Only three beverage companies were

19 Ibid.
privatized: the Coca-Cola Factory sold to East African Bottling for 64,030,000 birr on 05/15/1995, Pepsi-Cola Factory sold to Moha Soft Drinks for 105,356,891.10 birr on 05/15/1995, and Saint George Brewery sold to the French BGI International for 74,248,086.81 birr on 11/05/1998.\textsuperscript{20} By 2001, the EPA’s attempts to sell Bedele Brewery S.C., Harar Brewery S.C., and Meta Abo Brewery SC failed for the third consecutive time due to disagreements with investors regarding the price point.\textsuperscript{21} Awash Winery S.C. also was set to be privatized fell through for similar reasons.\textsuperscript{22}

Under the EPA, privatization was off to a slow start, arguably due to the fact that during this period, Ethiopia was anything but a desired destination for foreign investment. Still reeling from the devastation under Derg rule, the country was suffering from years of war and famine. Further, the lack of infrastructure, political fighting over the establishment of an ethnic Ethiopian state, the question of Eritrean independence, and the spur of HIV/AIDS were other issues.\textsuperscript{23} But also, privatization was arguably stalled due to problems brewing at the institutional-level. The rules, processes, and modalities of privatization were still in their infant stages, which led to a privatization process that was haphazard, unorganized, and undefined in its mission. Additionally,

\begin{itemize}
\item \textsuperscript{22} Ibid.
\item \textsuperscript{23} For a thorough discussion of the structural issues EPRDF faced in the 1990s and early 2000s see Peter Gill, \textit{Famine and Foreigners: Ethiopia since Live Aid} (Oxford: Oxford University Press, 2010).
\end{itemize}
tensions brewing between the party officials of EPRDF and international bodies such as the IMF over the terms of structural adjustment which championed rapid privatization led to several stalemates.24

With the purpose and procedure of the EPA both contested and in disarray, the Ethiopian State issued a parliamentary response through Proclamation No. 146/1998 and Amendment No. 182 to clarify the aim of the “Privatization Programme” in Ethiopia. The mission of the agency is defined as follows:

“to generate revenue required for financing development activities undertaken by the Government; to change the role and participation of the government in the economy to enable it exert more effort on activities requiring its attention; to promote the country’s economic development through encouraging the expansion of the private sector”25

Note that two of the three objectives of the “Privatization Programme” present the privatization process as a tool which serves the needs of the Ethiopian state. Firstly, as a form of revenue from enterprise sales which during this period was deposited into the National Bank of Ethiopia to be used for “developing infrastructure”.26 Secondly, as a mechanism that allows for lessening the economic burden of state operations. In these ways, the privatization process is defined by the needs of the state rather than the demands of neoliberal structural adjustment policies.

24 See section on banking in Ethiopia for a more detailed discussion of this issue.
The third objective of encouraging the development of the private sector is arguably an afterthought. This point became more apparent when the Ethiopian state decided to merge the Ethiopian Privatization Agency (EPA) with the Public Enterprises Supervising Authority (PESA) under Proclamation No. 413/2004 to create the Privatization and Public Enterprises Supervising Agency (PPESA). The new agency’s responsibilities were equally divided into two tasks: 1) the implementation of the privatization program and 2) the supervision of national public enterprises. The merger was done for the sake of better “coordinating the implementation of the privatization programme with the activities of public enterprises” to best determine which enterprises were ready (or not) for privatization and better guide the entire bidding and sale process. It was under the PPESA that the government’s three state-owned breweries were finally sold—over fifteen years after their initial auctions. Harer and Bedele Breweries for 1,322,456,937 birr and 1,445,414,313 birr, respectively, to Heineken International B.V. on 06/29/2003 E.C. and Meta Brewery for 3,856,486,984 birr to Guinness Overseas Holding Limited Company on 03/19/2004 E.C. A far greater price than the 74,248,086.81 birr that was paid for St. George Brewery in 1998.

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28 Agency pamphlet for Privatization and Public Enterprises Supervising Agency (PPESA).
29 Also note that under the EPA the majority of privatizations were retail related. Under the PPESA, privatization dealt with larger (and at times more valuable) industrial assets.
30 Auction price and dates for all breweries provided by MoPE resources.
Although the PPESA acted as the primary privatization agency in Ethiopia between 2004-2014, it would be replaced by the Ministry of Public Enterprises (MoPE) under Proclamation No. 916/2015. Compared to its predecessor, the MoPE primarily focuses on the management and supervision of government-owned enterprises such as the Ethiopian Railways Corporation, the Ethiopian Shipping and Logistics Service Enterprise, the Ethiopian Sugar Corporation, and other smaller SOEs as these “limat dirijitoch” (development enterprises) comprise a substantial portion of the country’s economy. It also provides support to SOEs operating within their own bureaucratic structure such as Ethiopian Airlines, Ethio Telecom, and Ethiopian Electric Power. The national “Privatization Programme”, which is now removed from the Ministry’s name, is still part of the organization’s mission although just taking up a few offices in the MoPE building located in Gerji, Addis Ababa. However, what makes the MoPE even more powerful than the PPESA is that it is a Ministry rather than an Agency, answering directly to the council of ministries rather than lower level bureaucratic bodies (e.g. Board of Trustees) as privatization becomes more associated with a centralized developmentalist strategy.
7.2.2 Privatization, Revenue, and the “Policy of Independence”

The “Privatization Programme” over the last decade must be understood within the Ethiopian state’s larger economic policy frameworks. Specifically, since 2010, the country’s development strategies have been informed by two five-year plans composed and directed by the Ethiopian National Planning Commission and the Ministry of Finance and Economic Cooperation (MoFEC): The Growth and Transformation Plan (GTP I) and The Growth and Transformation Plan (GTP II). All agencies of the Ethiopian government, including the MoPE and its “Privatization Programme,” reflect the goals of these five-year plans, which are reiterated in ministry, agency, and institute pamphlets and source materials that are circulated amongst state employees and distributed to the general public at large. The GTP I was a five-year plan implemented between 2010/11-2014/15. A “vehicle for Ethiopia’s renaissance,” GTP I was a commitment to Ethiopia’s modernization across agriculture, manufacturing, infrastructural, education, and health sectors as well as the strengthening of governing institutions.\(^1\) One of the plans’ main focus was “economic diplomacy” — attracting foreign direct investment (FDI) from the European Union, Peoples Republic of China, India, and Turkey as well as the Ethiopian Diaspora.\(^2\) This FDI investment was to in part be directed towards the modernization of manufacturing industries as the government sold a number of garment, textile, and


beverage industries to foreign investors. In the case of breweries, privatization led to the importing of new brewing technologies and organizational structures while also creating a high demand for local engineers to manage those systems. Meanwhile, the state simultaneously coordinates with the private sector, implementing its own “capacity building programs” in industries not ready for privatization such as Japanese Kaizen management strategies (e.g. Assela Malt Factory). With the completion of GTP I, the government began implementing GTP II between 2015/16-2019/20. This plan builds upon the goals of GTP I; however, there is a greater emphasis placed on industrial development rather than modernization in general. The main goal is to make Ethiopia “Africa’s light manufacturing hub” and set the nation on a path to become “a middle-income country by 2025.” GTP II continues GTP I’s strategy of “economic diplomacy” but is more focused on the expansion of FDI in export-oriented manufacturing sectors and infrastructure investment. However, GTP II departs from GTP I in that the privatization process is situated within a larger objective of “enhancing the role of public enterprises” and “strengthening their capacity” giving the government a greater role in the nation’s industrialization as it develops “electric power, airlines transport, rail and marine transport, telecom, financial industry, metal and engineering, sugar and related

4 Ibid.
industry, and chemical industry sectors in the next five years.” Thus, privatization takes a secondary, but still important, role to the state in implementing a national industrialization strategy.

A central aspect of both the GTP I and GTP II agenda is revenue generation, especially through taxation, in order to fund the state’s broader developmentalist agenda. Specifically, under GTP I & II, the MoPE functions as a source of revenue for national infrastructure projects such as roads, railways, telecommunications, energy, ICT (Information and Communication Technologies), water, and sewage systems, dry ports, and cargo carrier capacities. This revenue is collected through the expansion and strengthening of SOEs to “enhance the productivity and competitiveness of public enterprises” which are a great source of tax but also profit through company earnings.\(^8\) But revenue it is also generated by the “Privatization Programme” through the auction bid price (as discussed in the previous section) and even higher tax rates. For example, in the beer industry privatization brings in state revenue through corporate, VAT, customs, and an excise tax. In regards to the later, the Ethiopian government places a 50% excise tax on all beer, wine and whiskey bought and sold within the country, and a 100% excise tax on all other alcoholic drinks.\(^9\) Despite some import tax leniency and the ever-rampant issue of tax evasion and fraud, one bureaucrat states that the Ethiopian

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government has a “yimayineger dirsha” (an untold share) in the beer industry through taxation, unlike the subsidized textile industry which has been a heavy cost for the state. Still the Ethiopian government is limited in its tax collection capacity as the “central government tax revenue as a share of GDP” remains “among the lowest in Africa” making “revenue and tax reform” a “major government priority.”10 Under GTP I, tax revenue was raised from 43 billion birr 2009/2010 to 165 billion birr 2014/2015 with an average growth of 31% per annum.11 The plan states that “increased tax performance has enabled the country to decisively finance its development strategies including mega projects from domestic revenue sources.”12 GTP II also focuses on increasing tax revenue over the next five years from 13.3% of GDP to 17.2% of GDP.13

Along with being a source of taxation under GTP I & II, the “Privatization Programme” is also an instrument of revenue generation through possible export earnings, helping address Ethiopia’s trade imbalance crisis. Under GTP I, there was a deterioration of the nation’s trade balance due to an underperforming export sector as the government failed to “reduce the dependence on external resources” especially imported capital goods.14 Between 1970-2013 capital flight from Ethiopia was estimated at 31 billion dollars due to a number of factors ranging from macroeconomic instability

10 Oqubay, Made in Africa, 68.
to corruption. Although exports are thought to remedy this issue, it often encourages “capital flight through under/over invoicing and as an avenue for rent seeking” as exchange rates in Ethiopia continue to plummet against the dollar. GTP II still places a great emphasis on “export-oriented” manufacturing industries. The beer industry, for example, is villainized in this vein as it is a major consumer of hard currency through importation of malt barley, hops, yeast, bottles, labels, chemicals, etc., or as one interviewee put it a “headache” for the government, while the leather industry, despite its pitfalls, is projected to be a remedy to this fiscal problem.

And finally, the “Privatization Programme” spurs industrial development through sector-specific investment strategies and their accompanying forward and backward linkages, creating economic value that could lead to revenue generation on multiple scales (e.g. new corporate tax, income tax on employees, export-earnings, VAT, etc.) To make sure these privatized industries are performing, the government established the Ministry of Industry (separated from the Ministry of Trade under Proclamation No. 691/2010) as the agency responsible for private sector development. According to its “Industrial Development Road Map,” the Ministry is responsible for championing the “mutual role the Government and private sector play in the industrial

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16 Geda and Yimer, 44.
development process.” There are around 22 agencies under the Ministry of Industry responsible for supporting the private industry. In theory, each agency is created to learn from industry actors and harness the productive power of their companies into further generating forward and backward linkages in the post-privatization process.

One of these institutions is the Food, Beverage, and Pharmaceutical Industry Development Institute, an intermediary administrative body created by Regulation No. 287/2013 immediately following the privatization of beer industry. When speaking to a Director at the said Institute, he states that for the beer industry his office offers “digaf” (support) across all processes from machinery imports and production to marketing to tax questions. His job is not to “regulate” but to assist the breweries with any unforeseen issues that might occur while navigating the nation’s bureaucracy. He tells me that at the moment the Institute’s power is limited to administrative paperwork, but in the future, he hopes that the office will have the funds to install a research laboratory and carryout pilot projects that utilize what they have learned from the multinational alcohol companies, specifically in beverage production, and apply it elsewhere (e.g. the commercial packaging of indigenous beers).

Such revenue generating activities of the Ethiopian government are not an uncommon practice for the developmentalist state, but Ethiopia’s neo-concessionary politics color this developmentalism through its “policy independence.” In “Taxing

17 “Ethiopian Industry Development Road Map,” INDUSTRY, July 2015, 46-60.
Property in a Neo-Developmental State: The Politics of Urban Land Value Capture in Rwanda and Ethiopia,” Tom Goodfellow states that in Ethiopia and Rwanda the “Needs of their political survival are in line with the needs of economic development.” In both countries, the state is determined to capture revenue to meet their respective developmental goals. Focusing on land revenue schemes, he argues that both Ethiopia and Rwanda are “neo-developmental states,” which he defines as “states led by regimes with intensity of developmental orientation possessed by their East Asian forerunners, which is translating into sustained growth and poverty-reduction, but which are globally and regionally anchored by different sets of incentives and constraints.” This is different “developmental patrimonialism” which he describes as “concerned with dynamics of centralized rent-management over particular time horizons.” Unlike the “Asian Tigers,” these “neo-developmental states” experience several constraints including being landlocked, having high infrastructure and transportation costs, no major regional markets (e.g. Japan in East Asia), and the lack of a landowning class to spearhead development as they were destroyed by genocide and Derg purges, respectively. However, while the Ethiopian state’s revenue generating strategies may appear “developmentalist” or “neo-developmentalist” in practice, they are

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19 Goodfellow, 555.
20 Ibid.
fundamentally neo-concessionary in nature. Advisor to the Prime Minister Arkebe Oqubay elaborates on what he describes as the importance “policy independence” in Ethiopia:

“Policymaking in Ethiopia has reflected policy independence, including occasional pressure from IFI and some donors, usually in the form of economic threats. For instance, the government has refused to yield to pressure to open up the finance sector to foreign banks, to privatize utilities and telecom, to reform public land ownership, to freeze public investment, and not to expand universities. The events of the late prime minister’s office...show the lengths to which the government is willing to go to maintain policy independence. Ethiopia has also embarked on building the Grand Renaissance Dam on the Blue Nile, depending entirely on domestically mobilized resources, and despite threat and withdrawal of support by external forces. In areas of common interest, it has collaborated with the external forces and accepted assistance.”

Oqubay goes on to contrast this strategy to other African countries where leaders are not free to exercise their own economic policy—consulting international bodies, European countries, or even multinational companies before making any major decisions. He describes these restrictions as the remnants of colonialism and is aghast that “such practices continue into the twenty-first century.” What Oqubay fails to realize (or does not mention) is that these dependent policy regimes are a form of extraversion as African countries exacerbate their relations of dependence with the external world to generate wealth and power for ruling elites. Ethiopia, meanwhile, exercises a neo-concessionary politics in which the goals of the ruling powers are oriented towards

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21 See Chapter 2 (The Neo-Concessionary State) to understand the policies of the former Prime Minister Arkebe Oqubay, *Made in Africa*, 286–87.
23 Oqubay, 287.
long-term power consolidation by generating revenue through a development projects of which the most important, the Grand Renaissance Dam, mentioned above, is pursued despite the disapproval of the international community. At the core of any economic agenda, whether developmentalist or not, or industrializing or not, is the preservation of Ethiopian’s independence against foreign control. In the case of multinational alcohol companies, the ruling party prevented the creation of domestic beer monopolies through a calculated privatization process that repeatedly put breweries up for auction (but did not actually sell) until it felt it the right time and price—exercising control over its national economy from MNCs (pre-privatization), but once letting them in, extracting revenue to meet a national developmentalist agenda (post-privatization).

### 7.3 The Logics of Corporate Governance: The Case of Shareholding Law and the Banking Sector

Another way the state controls companies post-privatization is through its corporate governance laws. Legal scholar Hussein Ahmed Tura defines corporate governance in Ethiopia as “a system of rules and institutions that determine the control and direction of a company and that define relations among the company’s primary participants including board of directors, managers, shareholders and other stakeholders.”

Corporate governance is a globally pervasive concept, but its definition

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and implementation vary across the world with each country having its own system (e.g. one tier, two-tier, decentralized system, etc.). In Ethiopia, the legal sources of corporate governance are The *Ethiopian Commercial Code of 1960*, the *Banking Business Proclamation No. 592/2008*, the *Insurance Business Proclamation No. 746/2012* and the *Commercial Registration and Business Licensing Proclamation No. 686/2010*. Of these laws, the Commercial Code of 1960 is the preeminent source of corporate governance with corresponding proclamations responding to critical developments in national economy such as a growing financial industry and private sector leading to commercial registration and licensing issues. A general uncomplicated bundle of laws with a strategic emphasis on regulating the domestic financial sector, these guidelines are less about providing precise legal guidelines as they are about maintaining state control over the private sector.

The following section focuses on how corporate governance slows down the free flow of financial capital moving within and in-and-out of Ethiopia. I look at two cases: (1) shareholder law and (2) the financial industry in Ethiopia, giving examples from my own research on multinational alcohol companies in the country. Legality should not be taken for granted when thinking about the activities of multinational companies (whether legal or illegal) in the Global South. When global corporations touchdown in Ethiopia, they must take on the corporate form dictated by national law, creating a structure that defines its interactions with other companies, the state, and society actors.
These laws are not just instrumental, but fluid in their process and political in their incorporation, and in the Ethiopian context, wielded by a ruling party with an intent to control capital.

### 7.3.1 Shareholder Law

From the rules of domestic and international trade to the management of corporate bodies to the regulation of transportation of people and goods to banking policies, the *Commercial Code of the Empire of Ethiopia (Proclamation No. 166/1960)* is the foundational law governing all formal commercial life in Ethiopia. The Commercial Code of 1960, along with several other Proclamations specific to banking, micro-finance, insurance, and commercial registration, is the principle source of corporate governance in Ethiopia. Its Preface states that the Code was created in response to the increased number of foreign companies operating within Ethiopia’s borders. At the time, the new law was directed at these few, but impactful companies, while the majority of the country remained unaffected, continuing with many local merchants operating informally.\(^\text{26}\) For example, in a study following the creation of the law, it was noted that 47% of *Mercato* business owners remained unregistered with the then Ministry of Industry and Commerce.\(^\text{27}\)

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\(\text{27}\) Beckstrom, 571.
Many legal scholars have called for the revision of the Commercial Code because of its outdatedness and inability to respond to the demands of global capitalism in the 21st century. There have been rumors over the last decade that the ruling party was revising the old law, but a draft has yet to be made public. Nonetheless, the most notable calls for governance reforms address the widening divide between principles (owners) and agents (managers) in share companies. For example, the Commercial Code does not distinguish between the “managerial and supervisory roles of the board” addressing issues of corporate management, in the narrow sense, rather than corporate governance more broadly.\(^\text{28}\) The Commercial Code lays out basic rules for shareholder meetings, the buying and selling of shares, auditing structure, debentures, accounting practices, amendment process regarding memorandum or articles of association, and the disillusion of the company, but tensions often arise from the parameters given for the selection of the board of directors. One issue is the discrepancy in the Amharic and English translation of Commercial Code of 1960’s Article 348 (4), which allows the general manager of a company to be appointed as a board member.\(^\text{29}\) Others include renumeration, or the payment of members of the board of directors. Focusing on banking institutions, Tura details how renumeration that is either too high or too low can negatively affect the performance of a company. For example, before the recent


\(^{29}\) Tura, 73.
Banking Business Proclamation, banks were required by the Commercial Code to pay 5 to 10% of the bank’s annual net profits to directors, leading to fierce infighting between shareholders who wanted to secure a hefty salary.\textsuperscript{30} But with the new law, strict rules, put in place by the National Bank of Ethiopia (NBE), limited directors payments to 50,000 birr per year, which led to qualified persons becoming deterred from the role.\textsuperscript{31}

Despite these limitations in governance (and many others), the stipulations of shareholder management not only acts as a friction to corporate activities, but what might be seen as market inefficiencies empowers the state’s ability to control companies.

The Commercial Code of 1960, Article 304 (1), defines a share company in as “a company whose capital is fixed in advance and divided into shares and whose liabilities are met only by the assets of the company,” while Article 306 which sets capital minimum of 50,000 \textit{birr} with no less than 10 \textit{birr} per share.\textsuperscript{32} There are some important features of shareholding law unique to the Commercial Code of 1960. First, Article 307 rules that each company must have no less than five shareholders and if it every goes below that number Articles 311 states that the company cannot remain in operation for more than six months after. Thus, there cannot be a one-man company in Ethiopia. But most relevant, Article 333 (1)(2) “Restriction on free transfer of shares” states that the with stipulations written in the articles of association and/or determination by the board

\textsuperscript{30} Tura, 70.
\textsuperscript{31} Tura, 71–72.
\textsuperscript{32} \textit{Commercial Code of the Empire of Ethiopia Proclamation No. 166 of 1960, Year 19, No. 3 (Addis Ababa, Ethiopia: Berhanena Selam Printing Press, 1960), 59.}
of directors, can prevent shareholders from being able to transfer their shares.\textsuperscript{33} Furthermore, the process of transferring shares in Ethiopia — the process of merger and acquisition — is a long tedious process in a country with no stock exchange and requiring that each person register their shares plus transfer at the Ministry of Trade. For example, 2017 saw the acquisition of Raya Brewery Share Company by BGI Brewery PLC. Located in Maichew, a city in the northern Tigray state, Raya Brewery began operation in 2014/2015 with a production capacity of 600,000 hectoliters annually.\textsuperscript{34} The company was founded by 58 individuals and has around 2,507 shareholders.\textsuperscript{35} One of the latecomers to the beer market, Raya beer saw losses around 104 million birr in 2016, and without a parent company to bear those costs found itself in financial trouble.\textsuperscript{36} Already the majority shareholder (47\%), BGI decided to buy out the company’s shares through the long process of negotiating with each shareholder including multimillionaire Dawit Gebregziabher (25\% share) and the remaining shareholders (28\%).\textsuperscript{37} However, with the transfer the Tigray Revenue Development Authority\textsuperscript{38} levied

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\textsuperscript{33} Commercial Code of the Empire of Ethiopia Proclamation No. 166 of 1960, 68.
\textsuperscript{38} Ethnic regional government tax authority.
a 30% capital gains tax to the dismay of shareholders who complained that they had not seen profits in the past years and such a demand from the local government was outrageous.39 Overall, slowing down the movement of capital through this cumbersome share transfer procedure will be of interest in the coming years as multinational alcohol companies attempt to cannibalize smaller competitors, leaving one or two companies standing left to control the market. How the state will respond to such merger and acquisition process is left to be seen.

7.3.2 The Banking Sector

The Preamble of the Banking and Business Proclamation emphasizes that “banks play an important role in economic development through mobilization of funds from within and outside the country and channeling such funds to various sectors of the economy” but “if not managed properly, has the potential to generate financial system and macroeconomic instability” which can have drastic effects on “the general public and the Government.”40 It is this tension, the ability of banks to bring either “economic development” or disastrous “macroeconomic instability” that defines the Ethiopian ruling party’s supervision and regulation of the banking sector as the belief that proper mobilization of the banking industry will bring prosperity is tempered by the fear that

mismanagement might lead to economic chaos that might not only hurt the people of Ethiopia, but as explicit stated, the state itself.

Due to this concern, the banking industry in Ethiopia forbids foreign nationals from partaking in the financial sector. In Ethiopia, banks are all registered as share companies, and the Proclamation under Article 2(5) defines “company” as that which “capital is wholly owned by Ethiopian nationals and organizations wholly owned by Ethiopian nationals and registered under the laws of, and having its head office in, Ethiopia.”41 The implications of this are further laid out in Article 9 on “Prohibitions” which states that foreign nationals are not only not allowed to open banks in Ethiopia, but branch offices or subsidiaries of non-Ethiopian banks are forbidden.42 This position has led to tension between the Ethiopian government and the international community. In his *Globalization and its Discontents*, Joseph Stiglitz describes a conflict between then Prime Minister Meles Zenawi and the IMF in the late 1990s over the financial liberalization of the Ethiopian banking industry. At the time, the safeguarding of the banks was central to Ethiopia’s agricultural-led development agenda, which had a policy of lending to farmers for fertilizer and seeds.43 He recounts how Meles refused to open up a nascent domestic banking system with capital assets “somewhat smaller than that of Bethesda, Maryland” in order to compete with global financial behemoths such

as Citibank.\textsuperscript{44} Further, protecting the future development of an indigenous banking industry, Meles also refused to allow for interest rates to be determined freely by international markets.\textsuperscript{45} The issue created a standoff with the IMF suspending its lending program in Ethiopia before several advocates from the World Bank intervened, causing the institution to reluctantly reinstate the assistance programs.\textsuperscript{46} Disputes over the closed off nature of the banks continue into the present with international financial institutions continuously knocking at Ethiopia’s door.

Today, banks continue to play a major role in national development projects geared toward industrialization through the National Bank of Ethiopia (NBE). The NBE is a state-owned enterprise responsible for corporate governance of all banks in Ethiopia. Before any bank opens in Ethiopia, it must acquire a banking license from the NBE.\textsuperscript{47} The powers of the NBE are vast and include: approval of share transfers, limiting private acquisition of shares, supervisory role over shareholding meetings and voting rights, the appointment and dismissal of bank directors and executive officers, set capital, liquidity and reserve balance requirements, determine financial statement standards, approve appointed auditors, conduct on-site inspections, setup renumeration structure, and revoke banking licenses.\textsuperscript{48} These powers, in some places, are vaguely conceived, giving

\textsuperscript{44} Stiglitz, 30–31.
\textsuperscript{45} Stiglitz, 31.
\textsuperscript{46} Stiglitz, 33.
the NBE more authority. For example, grounds for “Suspension and Removal by the
National Bank” in Article 17 (2b) declares: “any action detrimental, in the opinion of the
National Bank, to the stability or soundness of the financial sector, the economy or the
general public interest carried out by a director, a chief executive officer or a senior
executive officer a bank.”

Overall the NBE is the sole institution responsible for
oversight of Ethiopia’s 18 banks private and state-owned banks. Literature on the NBE
critiques how the bank is both overextended and limited in its control on the industry as
a whole. For example, experts lament that NBE exerts too much power over
determining interest rates on deposits and credit allocations, but one major concern is
that “The state-owned Development Bank of Ethiopia only lends to support the
government’s industrial development initiatives, selectively provid[ing] capital to firms
in sectors the government wants to promote.”

In this way, the NBE, organizes the
banking sector to meet the development agenda of the ruling party rather the demands
of the market. However, at the same time, the NBE is weak in its supervisory role due to
its lack of expert staff. Still, the extent to which the state is involved in the banking
sector has led to further outcry from the international community. This includes
criticism of the Commercial Bank of Ethiopia, a highly profitable, quasi-monopolistic

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51 Bezabeh and Desta, 30.
state-owned enterprise which functions as a “policy bank” driving about 70% of loans given to meet the ruling party’s development agenda.52

The closed-off status of the banking industry is as an obstacle for companies with high import demands, especially beer companies which are huge importers of malt barley, beer bottles, yeast, hops, equipment, construction materials, etc. Foreign multinational companies must open a line-of-credit (LC) with the national banks in order to import the raw material and machinery needed for the operations of their factories. For example, under the instruction of the NBE, the CBE along with other financial institutions recently granted Heineken 40-million-euro line of credit for the expansion of the Klinio Brewery.53 This move was particularly controversial. Over the past several years, foreign exchange crises have periodically shocked the country due to issues from balance of payment as Ethiopia is a net importing country and the fact that 60% of government expenditures for state-directed development projects use hard currency for imports.54 In this scenario, Heineken was prioritized over several businesses attempting to import pharmaceuticals due to it being a key industry in the government’s

developmentalist agenda. Overall, the import demands of multinational alcohol companies upsets the government: “mengist mabeschet lezih new” (the government is irritated because of this) says the Beverage Processing Director at Institution for Food, Beverage, and Pharmaceuticals, declaring “They pay $35,000,000 for just malt barley and forget hops that’s expensive.” Overall, the restriction of money’s movement and the allocation of foreign currency, is how the state prioritizes its developmental agenda—catering to companies on the basis of sector importance as it relates to its industrialization program — not the demands of the market.

7.4 Conclusion

In an interview with a member of the Councils of Ministers, our conversation on the beer industry in Ethiopia took a turn to the government’s construction of state-owned Industrial Parks, specifically the newest facility in Hawassa. These Industrial Parks provide factory spaces to foreign and domestic companies to encourage investment in manufacturing industries. Unlike the beer industry, which plays an important but overlooked role in industrialization, Industrial Parks like Hawassa are the most publicized and heavily funded manufacturing projects in Ethiopia. The Minster states the catch-phrase that the Hawassa Industrial Park is part of Ethiopia’s plan to make the country a more “business friendly” environment.

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Soon I begin to ask him about the inner workings of the Hawassa facility including where the money from the “rent” provided by the tenants is distributed.

“Does it go to the NBE? Is it funneled back to a certain Ministry?” He becomes visibly irritated by the word “rent”\textsuperscript{56} and instead calls it a “subsidy” for using the Park, not answering the question. When I pushed him again on the question he replies: “We are not trying to get profit by renting because Hawassa spent $300 million and you can calculate the rent and it’s the sky and the earth. That is the difference.” He goes on to say the 20km of asphalt in the Park, the water and electric infrastructure, and the factory spaces all cost in the millions to construct and maintain. He continues:

“If you calculate this at the market rate it’s impossible. No one can afford it! The important thing is that it creates jobs and the linkages to the local economy. Getting raw materials from the local economy creates jobs and the factory creates jobs too. We get foreign exchange from export earnings or through import substitution we save foreign exchange. There is also the revenue we raise from tax. It not that we profit from rent but it’s the development benefits we get, especially if we create backward linkages to the agriculture sector. If agriculture benefits from supplying raw material then from agriculture, we can get wealth, revenue and so on. This is the belief otherwise what we are investing is millions of dollars but in \textit{birr} its billions.”

However, the Industrial Park is not only a developmental project central to the state’s goals of generating forward and backward linkages, but has another important feature different from the privatized breweries (aside from being a SOE). It allows the ruling party to supersede its own bureaucracy as businesses that sign up for the Park would

\textsuperscript{56} “Rent” has a negative connotation as it is associated with “rent-seeking.”
just deal directly with the federally-owned Industrial Parks Development Corporation.

He goes on:

“From licensing all the way to operation, it’s shorter. It is so painful. This is a good governance issue. This is about corruption issues sometimes. To knock on every door, [businesses] have to deal with every bureaucrat out there, therefore you see how drastically we are trying to create a business climate [here]”

Despite the state using its bureaucratic apparatus to push its developmental goals, people (or the bureaucrats themselves) and regional administration often become the voice of discord, a bass section out of tune, in the ruling party’s orchestra of institutions (the percussion), policies (the strings), and laws (the woodwinds)—creating barriers or openings for capital that the ruling party’s economic-ideological agenda did not intend—a symphony of development in discord. In this way, the bureaucracy that the ruling party wields against capital also becomes the thing that undermines its own agenda as it shifts to the creation of new institutions (such as Industrial Parks) to more directly exercise control over national economy. Thus, the Industrial Park is not so much about creating a “business friendly (aka neoliberal) environment” as it is about creating a space where the state can more effectively surveil and discipline capital (all in one place), while harnessing its revenue generating forward and backward linkages by creating an industrial park system outside of its bureaucratic one. Similarly, the privatization of breweries and their subsequent management by bureaucracy was never so much about neo-liberal reform as they were about fortifying state power through its industrialization agenda—a strategy that is neo-concessionary at its heart.
8. Conclusion: The Rise of PM Abiy Ahmed and the Future of Ethiopia’s Industrialization Agenda

In his speech at the World Economic Forum in Davos, Switzerland, newly elected Ethiopian Prime Minister (PM) Abiy Ahmed declared the successes of Ethiopia’s development agenda over the past 25 years, such as the 10-fold increase in GDP, poverty cut in half, and significantly higher education enrollments. He stated that today Ethiopia is one of the top destinations for foreign direct investment (FDI) in Africa as the government has shown a deep commitment to economic growth. However, PM Abiy also listed the “formidable” issues facing the country and the deep reforms underway since his ascent to power in April 2018. He calls this reform process “medemer”, which he translates as “coming together” or “synergy” in three points: 1) vibrant democracy, 2) economic vitality, and 3) regional integration and openness to the world. The first point refers to the opening up of civil society with actions such as the release of political prisoners and the restoration of previously revoked media licenses, while the third refers to the renewal of Ethiopia’s relationship with its neighbor Eritrea and the integration of African markets. The second point, which has received the most international attention, refers to the opening up of Ethiopia’s economy to investment in industries once considered off limits to foreign capital such as telecommunications.

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2 It is important to note that the new PM is still a prominent member of the EPRDF party coalition.
logistics, energy, aviation, and railways. This declaration has been praised by the international community and the advocates of market liberalization as a positive step in Ethiopia’s development. However, such a profound shift in the government’s economic policy begs the question: Is PM Abiy really embracing neoliberalism? Is Ethiopia finally opening up to global capital? Or is this signaling, as I would argue, just new instantiation of neo-concessionary politics?

Foremost, the promises of privatization are not quite what they appear. Most recently, the Ethiopian government announced that Ethio Telecom’s privatization bid would be partial as would the other “commanding” sectors, as the ruling party is not quite ready to entirely part ways with its most important industries—only now seeking a private-public partnership. Much of this has to do with the need for capital infusion in the cash strapped SOEs, as financing is needed in order to expand operations—or take the next step up the development “technological ladder”—a move that has some anti-privatization proponents concerned, as the government trades company equity for much needed foreign exchange. Additionally, PM Abiy mentioned that several laws such as the Commercial Code of 1960 and the Investment Proclamation were being revised. While some might interpret this as being done to meet the goal of

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“opening up,” it also might as well be a response to the wave of partial privatizations to soon occur, redefining the relationship between state and capital in Ethiopia.

Secondly, the term PM Ahmed uses to describe reform “medemer” is an ambiguous concept, deeply fluid and highly debatable in its interpretation. The literal translation of medemer in Amharic is not “synergy” but the verb “to add.” However, PM Abiy has made a connection between the Amharic “to add” and the English “synergy” in a way that comes to mean many different things to many different people. According to the government-owned Ethiopian Herald, medemer is somewhat of an “emotional concept” meant to reconcile the extreme views of those who support EPRDF’s ethnic-democracy versus those who advocate for unification, liberal democracy, and the end of ethnic federalism. There is much discussion on how such diverse political imaginations of the Ethiopian state might come together in a cohesive program, but arguably the issue still remains that ethnic-federalism and unification are diametrically opposed political systems in their conceptions of the Ethiopian state and its relationship to civil society—so much so they could be seen as incompatible as one champions the individual and the other the collective as the source of one’s rights. In regards to privatization, medemer might also refer to the synergy of public-and-private sectors. Like the coming together of two radically opposed political ideologies, the coming together of private-and-public

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seeks to find harmony and cooperation between state and capital in ways that might have been seen as incompatible in the past. Yes, this all sounds optimistic, but I must ask to what end? Development? If it is for the purposes of development and thus far development has been a project carried out by the ruling party to fortify its control over the territory, I must ask is "medemer" more a project of "incorporation" in contrast to "synergy" as the ruling party "adds" ideas to its already existing system through slight reforms without disturbing the greater ideological project of the state? Is this more so an opportunity for indoctrination as EPRDF has done in the past with its imprisoned protesters before releasing them into the public? It is hard to imagine that EPRDF would compromise its experimental ethnic democracy or embrace neoliberalism—yes giving a few concessions here and there—, but always with the ruling party’s own ideological project in mind.

Finally, PM Abiy ended his speech with another vague comment: “Ethiopians are born runners and we excel in marathons. Take it as signal of our intention, and level of commitment, and stamina.” Building upon an old African adage mentioned earlier in his speech: “If you want to run quickly, go alone. If you want to run far, go together,” this comment is vague in its meaning and direction as it can be interpreted in many ways. What does the marathon mean? Does it refer to the developmental process?

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And what does it mean “to go together”? Does it refer to the “medemer” of including all
Ethiopians in the state-making process or does it refer to the partnerships with foreign
capital to promote economic growth? Comments such as these are open to interpretation
by anyone who hears them—a signifier whose signification is determined by the wants
and desires of the listener, whether the promises of liberal democracy or neoliberal
reform, as the PM’s true meaning remains concealed.

Overall, the likelihood of Ethiopia suddenly becoming a neoliberal (or a liberal
democracy) is possible, but it goes against over two decades of EPRDF suppressing (or
incorporating) ideas that threaten the state’s ideological project, whether ethnic
federalism or developmentalism. Today, the Ethiopian state’s relationship with global
capitalism is changing, but like the privatization of national breweries, which were once
hailed by the advocates of neoliberalism as a positive step in Ethiopian’s
industrialization, these new privatizations may very well be a new iteration of neo-
concessionary politics or even a new kind of alliance politics as the Ethiopian elite have
always adjusted their strategies when responding to the external threats—sometimes
with success, other times with bitter failure—, but always with the “commitment” and
“stamina” of a marathon runner.
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Biography

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