

TALLINN UNIVERSITY OF TECHNOLOGY

School of Business and Governance

Department of Law

Birgit Podelsky

**CAN AUTOCRACY BE A SUPERIOR MODEL OF
DEVELOPMENT IN AFRICA?**

Master's Thesis

International Relations European-Asian studies

Supervisor: Ton Notermans, PhD

Tallinn 2018

I declare that I have compiled the paper independently
and all works, important standpoints and data by other authors
have been properly referenced and the same paper
has not been previously been presented for grading.
The document length is 13706 words from the introduction to the end of summary.

Birgit Podelsky

(signature, date)

Student code: 162878TASM

Student e-mail address: birgitpodelsky@gmail.com

Supervisor: Ton Notermans, PhD:

The paper conforms to requirements in force

.....

(signature, date)

Chairman of the Defence Committee:

Permitted to the defence

.....

(name, signature, date)

TABLE OF CONTENTS

ABSTRACT	4
INTRODUCTION	5
1. THEORETICAL FRAMEWORK	8
1.1. Democracy and economic development.....	10
1.2. Developmental states and economic development.....	11
1.3. Political leadership in autocracies	14
1.3.1. Political meritocracy and the China model	16
1.4. Ethnic diversity factor in economic development	18
2. RWANDA, ETHIOPIA, BOTSWANA- ECONOMY, LEADERSHIP, ETHNICITY	21
2.1. Productivity growth in case studies	24
3. IMPORTANCE OF VISIONARY LEADERSHIP	28
3.1. Paul Kagame in Rwanda.....	28
3.2. Meles Zenawi and Hailemariam Desalegn in Ethiopia	30
3.3. Botswana Democratic Party	32
4. DEALING WITH ETHNIC TENSIONS.....	34
SUMMARY	37
LIST OF REFERENCES	39

ABSTRACT

The purpose of this thesis is to examine under which circumstances autocracy is not so malignant and promotes economic development. Furthermore, whether in some countries and circumstances autocracy is a superior model of development than democracy. Rwanda, Ethiopia, and Botswana are three countries in Africa that have all at some point been characterised as “miracle countries” due to their growth and human development indicators. High growth rates of these indicators have been achieved both in autocratic Rwanda and Ethiopia as well as democratic Botswana. The research finds that autocracy can be a superior model of development if a country is led by strong visionary leaders with a developmental mindset and a powerful selectorate, such as in Rwanda and Ethiopia. The developmental mindset is measured by how much the country is focused on long term productivity growth to bring about economic development. Visionary political leaders need to have context specific abilities and virtue to make them succeed. The selectorate needs to be powerful enough to motivate better policymaking in the absence of elections. Furthermore, in countries where ethnicity is politicized, and national unity is weak, such as in Rwanda and Ethiopia, autocracy works as a superior model to stabilize the tensions. In Botswana, the country is dominated by one ethnic group and there is strong national unity, which is why democracy isn't destabilizing. In Rwanda and Ethiopia, the government intervenes more in the economy, as economic indicators are its primary source of legitimacy. Botswana is the opposite, a liberal democracy with regular elections. The government intervenes less in the economy, but due to dependence on the mining sector, the last elections showed growing dissatisfaction among urban voters. Governments in Rwanda and Ethiopia need to orchestrate the economy more because of the absence of an electorate. In Botswana, the electorate keeps the government accountable and there is less intervention in the economy.

Keywords: Autocracy, economic development, Africa

INTRODUCTION

Africa has been a testing ground for political engineering in recent history. Different Western organizations have actively promoted electoral democracy to African leaders ever since decolonisation. Official development aid (ODA) issued by international donors has been a controversial incentive for many countries to follow the democracy path. In practical terms democracy is associated with free and fair elections, accountability of institutions and politicians, free entry into politics, and the rule of law that applies equally to all citizens as well as public officials. A lot of research correlates democracy and economic development, by claiming that inclusive institutions are the cornerstone of development (Acemoglu and Robinson 2012). Likewise, there has been a lot of influential research around the effectiveness of foreign aid and its impact on democratic institutions and development. (Burnside and Dollar 2000) However, the amounts of aid that OECD donors have poured into African countries hasn't produced much development nor a democratic continent. There are still only a handful of democracies in Africa. The western assumption that democracy is conducive to development has therefore not gone uncontested.

China is a prominent example of a state led growth model. It is a well-known success story how Chinese government's development reforms lifted millions of people out of poverty. The real GNP grew at an average annual rate of nearly 10 percent since the beginning of the reforms in the late 1970s on to the 1990s. This is an achievement unmatched by any other country for that period. (Hu and Khan 1996) The Communist Party has never made any efforts or progress towards western type democratization although it calls its authoritarian political regime "democracy with Chinese characteristics". China is somewhat of an antithesis to Friedman's (1962) and Lipset's (1959) theory that as a country grows wealthier it will sustain democracy. China is the world's second largest economy in terms of GDP, but it is not considered a wealthy country in terms of GDP per capita, which is still low at \$8,123.181 (USD), making it the 77th richest country in the world. (World Bank 2016) It is still an impressive growth considering that 20 years ago its GDP per capita was \$709.414 (USD) But still its leaders have no intention of democratizing the state according to Western ideas. In February 2018, the Communist Party proposed to delete the paragraph from the constitution, which sets limits to the president's term in office. This allows current president Xi Jinping to stay in power indefinitely, instead of only two consecutive five-year terms. The

reasoning could be that if a leader is good at making reforms and developing the country, why should he step down in the middle of it?

China's influence and reputation as a developmental role model in Africa is growing. In the last two decades, China has risen from being a small investor in the continent to becoming Africa's largest economic partner. Africa-China trade has been growing at approximately 20 percent per year, while foreign direct investment has grown 40 percent annually. (Jayaram et al 2017) Differently from OECD donors, China doesn't demand political conditionality in exchange for aid. The principle is also laid out in the official Chinese government's 2014 White Paper on Foreign Aid, which explains that "when providing foreign assistance, China adheres to the principles of not imposing any political conditions, not interfering in the internal affairs of the recipient countries and fully respecting their right to independently choose their own paths and models of development." (State Council 2014) The only condition that remains is that the recipient country can't recognize Taiwan.

This has placed a lot of power into African leaders' hands to build up their economies with the help of Chinese investments and by ruling their states on their own terms. This approach has attracted a lot of criticism, claiming that China's "lower rates and fewer questions" strategy is nondemocratic in origin and non-transparent in practice, its effect is to stifle real progress while hurting average citizens. There is a widespread belief that Chinese influence will create a more corrupt and authoritarian continent (Naim 2007) Hence if African leaders are free to choose their regimes then would autocracy, that is the absence of regular contest for leadership (Besley and Kodamutsu 2007) be a better fit for certain countries? The supportive argument being that autocracy allows leaders to focus on economic development and keep countries away from destabilizing ethnic and political tensions. China and Singapore being the lead examples of this, but also smaller East-Asian economies, who had roughly the same economic starting point as African countries but grew more rapidly without democratic governance. But it's important to find out what is crucial for countries to be successful autocracies and ensure economic and human development? As there are many examples of badly governed autocratic regimes, which have kept countries poor and severely underdeveloped such as Zimbabwe or the Democratic Republic of Congo. And on the other side, if countries adopt democracy and allow the freedom to vote, what happens if countries are heavily polarized along ethnic lines and democracy leads to instability and ethnic violence instead?

This central question, under what conditions autocracy may be better for economic development, will be analysed in this thesis through comparative case studies of three African countries – Rwanda, Botswana, and Ethiopia. Rwanda and Ethiopia are classified as “developmental authoritarianism” for providing significant public works and services while asserting control over every facet of society. (Matfess 2015) They are among the fastest growing African countries, and their leadership is credited for lifting people out of extreme poverty and stabilizing their countries after devastating civil wars. Rwanda however is more stable than Ethiopia, which is currently in a state of emergency due to popular uprising. Botswana on the other hand is Africa’s longest standing democracy and often referred to as “the miracle of Africa,” even though it has been run by one party since independence and is struggling with one of the highest unemployment rates on the continent.

The structure of the thesis is as follows. Chapter 1 gives an overview of the theories concerning political regime type and economic development. The chapter will also introduce the main hypotheses based on the theories. Chapter 2 will introduce the main case studies and their backgrounds. Chapter 3 and 4 will test the hypotheses based on the case studies. The final chapter will provide conclusions and propositions for future research.

1. THEORETICAL FRAMEWORK

To answer the question, whether autocracy or democracy is better for economic development, two things need to be considered. First, to briefly introduce what is needed for successful development. Secondly to introduce what role political regimes play in influencing economic development. Then it is possible to introduce the two schools of thought - on the one hand how does democracy promote economic development, and on the other hand how does it interfere with it, so that autocracy with certain characteristics becomes a better choice.

Classic indicators of economic performance, such as GDP and income per capita, benefit from productivity growth. Low total factor productivity is one of the key reasons developing countries remain poor. (Altenburg 2010) Moving resources from lower productivity to higher productivity sectors is often the key driver of growth. (Lewis 1954) Raising agricultural productivity by means of industrialisation and increasing the share of the labour force in manufacturing, are known methods of pushing countries towards rapid growth. At the same time, adequate education, healthcare services, employment, income equality, and livable environment are important indicators of human development. Countries could show impressive growth without much human development. Economic development by definition is a process by which low income national economies are transformed into modern industrial economies. Development is thought to occur as per capita incomes rise. (Myint and Krueger 2016) Successful development in this thesis is considered as one where both economic indicators and human development indicators are growing. States need to be productive to bring about this successful development. Productivity is considered to be driven by four components: innovation, education, effective allocation of resources for production in various sectors, and infrastructure, both physical and intangible. (Young et al 2016)

Political bodies are facilitators, between the people and the regulated economic activities. (Laffont 1999) Governments set economic policies which determine how development is achieved and spread. The degree to which the government interferes with the economy is different from state to state. There are liberal market-driven mechanisms and state-led interventionist policies. In liberal market economies, states have a small role to play in directing economic activities and raising productivity. In interventionist economies, states play a bigger role in determining the course of the economy.

In liberal economies, governments set policies that are competition and innovation promoting. Competition needs to be free and fair, with no intervention. Economic liberalism prospers under democratic institutions, because innovation and competition are uncontrollable. They involve creative destruction and replacing the old with the new. Technological innovation then creates productivity growth, which makes societies prosperous. But it also infringes on those working with the old technologies, who might want to restrain such innovations. (Acemoglu and Robinson 2012) Democratic systems value individual and entrepreneurial freedom and there is no place for such restraints. Governments must also ensure that the wealth generated by the private sector would then be redistributed, to maintain individual and state development. In democracy, the electorate holds governments accountable for this redistribution by voting mechanisms, free press and freedom of association.

In interventionist economies productivity growth is achieved through industrial policy, whereby governments accelerate structural change towards chosen industries and higher value added activities. This demands long term planning, large scale investments into infrastructure and government oriented preference mechanisms. One widespread belief is that government intervention most often leads to rent-seeking (Kruger 1974) which creates opportunities to seek private benefits at the expense of social welfare (Wadhvani and Ayaz 2015) This means that the preference mechanism at work ensures only private gains for the agents, while not spreading the wealth in society. However, successful industrial policy is associated with effective governments, who have high administrative capacity and high quality technocrats who conduct economic policy, which leads to individual and aggregate well-being. Many examples of successful state led growth come from authoritarian regimes, such as China, Singapore, and early South Korea. Because it is a top down approach, where the government sets the direction, it values technocratic decisionmaking over democracy. In such authoritarian regimes economic development indicators ensure government legitimacy instead of elections

In conclusion, democratic regimes value competition and innovation in the private sector, without much interference from the government. The role of the government is to ensure wealth redistribution, and they are held accountable for this through regular elections. Autocratic regimes value a top down approach, whereby the government is closely linked to the private sector and directs the course of the economy. The economic indicators give legitimacy to the government. Both approaches thereby can lead to high economic development but both carry risks. Democracy promotes competition and opposition, but what if those actions direct states away from focusing

on broader development. Autocracy lacks checks and balances on the executive, but what if these leaders are despotic and deprive the country of development.

1.1. Democracy and economic development

The economists' arguments in favour of the positive correlation between democracy and development claim that with more economic freedom, political freedom follows and vice versa. Political freedom, which is the absence of coercion of a man by his fellow man (Friedman 1962) ensures a more sustainable market economy. The preconditions for economic development are the rule of law and sufficient property rights, which ensure investment and entrepreneurial freedom. Then, as more wealth accumulates and the middle class grows, people will want to be more included in policymaking. Hence, economic power should be kept separate from political power to serve as a check and a counter to political power. (Ibid.)

Democracy advocates also emphasize the freedom of thought and warn of individual power grasping, which is believed to be ineffective in the long-term, as knowledge of society is dispersed and no individual could have enough information to successfully plan for the entire society. (Hayek 1945) Amartya Sen (1999) made the linkage that famines have never taken place in democracies but only in colonial territories, one party states and military dictatorships. This is because authoritarian rulers lack the incentive to take timely measures to prevent famines as they themselves are rarely affected. He further claims that „political and civil rights give people the opportunity to draw attention forcefully to general needs, and to demand appropriate public action“. (1999:150)

Furthermore, it is believed that democracies survive external economic shocks better than autocracies, because autocracies can't cope with instability. There's no doubt that authoritarian China grows faster than democratic India, which allegedly shows the inferiority of the latter system. But if there is a massive shock in China or India, the likelihood of the Indian system remaining stable is reasonably high, which would not be the case for Chinese leadership. (Bremmer 2014) Furthermore, when authoritarian leaders start losing power, it's much more painful than a transfer of power in democracies.

The rule of law, which is prerequisite for economic freedom and growth, is one of the biggest political deficits in developing countries. Mainly because some of the most difficult institutions to construct are legal ones. (Fukuyama 2011) This is why Western organisations have put much effort into institution building in African countries. When there are hardly any constitutional restrictions on the executive leader's power, then there is no certainty that these despots will create policies that will serve the majority of the population. When each person has a vote, then they can show their mistrust and discontent in regular intervals. There needs to be a mechanism in place, which holds politicians accountable and the citizens safe.

To conclude this section, democratic systems value the rule of law, which holds governments accountable. These systems honour civil and political rights, which ensure that everyone can oppose the political leadership if they are not satisfied. Only through competitive elections can the people ensure that governments deliver economic development. Government interference leads to growth-impinging rent-seeking by the private sector, which is kept under control by transparency and the rule of law in democracies.

1.2. Developmental states and economic development

The counter argument is that in order to achieve economic growth and social stability civil and political rights need to be limited, as they can be a hindrance to development. And that economic development indicators could themselves give legitimacy to the government instead of the electorate. This however means that governments need to be development oriented.

The notion of developmental states or hard states was first conceptualized by Chalmers Johnson (1982) in his analysis of the role of state bureaucracy in the Japanese economic system. Developmental states are characterized by extensive state intervention, where the government's main aim is economic growth and it will take any measure to achieve that goal. Chalmers was most interested in the role that economic bureaucracy plays in state led development and in the Japanese case it was the Ministry of International Trade and Industry (MITI) that he saw as an instrumental player. Economic bureaucrats in Japan created priority production policies in the light of „industrial rationalization“ to steer the country back to growth. The bureaucrats were allowed to work and set long term policies without any political interference. Japan however developed into a one party democracy.

Economic and political stability is crucial to plan for the long term. This is why developmental states are also characterized by one-party non-democratic governments that don't tolerate disruption of the ruling process. For economic development to happen investments into focused areas are needed. Sometimes these instruments are not beneficial to the majority in the short-term and thereby would not survive a popular vote. As Vaman Rao (1984) so cleverly highlights, no political party will win a democratic election on a platform of current sacrifices for a bright future. Moyo (2018) criticizes politicians' short term orientation by claiming that there is a disconnect between political and economic cycles which brings about widening fiscal deficits. When the normal economic cycle lasts around 6 years then the average tenure of G20 political leaders is around 4 years. „Focused on winning the next election, politicians often implement policies that will bring short-term rewards, even at the cost of long-term growth or stability.“ (Ibid.) In democracies this could be fixed by longer term times, which however is threatened by „incompetent and otherwise problematic leaders to remain in power for longer.“ (Ibid.) This would have to be followed by another reform of „changing the eligibility requirements for would-be policymakers, with an eye to securing leaders who have experience not just running for office, but also handling real-world challenges.“ (Ibid.)

Pro-autocracy argument claims that as governments have eliminated opposition, they can focus more on the economy, and a state autonomy which is free from private influence can ensure long term stable planning. Przeworski and Limongi's (1993) influential research concluded that there is little hard evidence to support whether democracy or autocracy is better for growth. They only highlighted that politics influence policies which affect economic growth, hence politics matter. Secondly, they brought out that state autonomy might be one influential factor that impacts growth, by emphasizing that “autonomous state must be both effective at what it wants to do and insulated from pressures to do what it does not want to do.” (1993:65)

However, not all autocratic governments lead countries to high economic development. Atul Kohli (2004) did a comparative study on South-Korea, Brazil and India to find out what led the countries to different paths of development. He claims that South-Korea was the most successful example of the three, because it was a type of „cohesive capitalist state.“ This state is described by having a concentrated authority at the top orchestrating development efforts. There is also support from a strictly capitalist base, who interacts intensely with the state. State power is notably present in rural areas and peripheries, central authority makes sure that local influencers carry on the central ideology. Nationalistic ideology and restrictions on political participation ensure that the state

remains stable from the inside. The efficiency of highly competent bureaucrats is another important feature Kohli highlights, along with an educated and motivated workforce, that play a crucial role in successful industrialization. The elites and the state form a „production-oriented alliance“ which is essential for development. He brings a counter-example in „neo-patrimonial states“ where economic and political spheres are blurred and economic development serves more private interest than public. The bureaucracy is also weak as its hard to follow both private and public lines of command and this fertilizes corruption. The third type of developmental state in Kohli’s analysis is a „fragmented multi-class state“ which is characterized by class struggles. The state leadership has a hard time setting priorities and planning policy, due to conflicting interests and no framework to solve them. There are too many goals to achieve and too many viewpoints to account for, which is a hindrance to growth.

Most often the counter-argument to state-led development is the issue with human rights, mainly with civic and political rights. In Africa, many argue that the need for economic growth and political stability outweigh in the short term, the need to comply with international human rights law (Cook and Sarkin 2010) This is supposedly so because in developmental states economic and political improvements are often predecessors to advancements in human rights. (Howard 1983) South-Korean development during Japanese colonialism is one example of this. The creation of labour unions was prohibited and there were no laws to regulate the workplace and protect workers. (Kohli 2004) The state and property owners collaborated in colonial Korea to control the labouring classes. This created a capacity to hold wage increases below productivity gains to facilitate investment and growth. (Ibid.) But what ensures that the sovereign doesn’t go too far with violating human rights? During its inter-dynastic periods in the past two millennia, “China was able to create a modern state which was not restrained by the rule of law or by institutions of accountability to limit the power of the sovereign. The only accountability in the Chinese system was moral.” (Fukuyama, 2011: 150)

As previously mentioned, in democratic systems property rights ensure economic growth, and legal frameworks make sure the sovereign cannot be above the rule of law. For economic growth to occur, the government must not merely establish a set of rights but be credibly committed to them. (North 1989) However, in China the Communist Party is sovereign over the constitution and has still ensured such high inclusive growth without checks and balances. The next section will discuss why this is so.

1.3. Political leadership in autocracies

When comparing growth rates between autocracies and democracies, one thing always emerges, which is that variance of growth is higher under autocracy than in democracy. (Weede 1996; Easterly 2011) One reason for this could be that leaders don't matter that much in democracies, because of the constraints which are put on both good and bad leaders. However, in autocracies leaders can produce either very good or very bad results, as there are no checks and balances on leadership. Growth rates hence depend on their organizational abilities and surrounding circumstances, (Easterly 2011) and whether the autocrats are interested in future growth or immediate extraction. (Olson 2000)

Besley and Kudamutsu (2007) argue that autocratic governments work best when the power of the "selectorate" or bureaucrats and technocrats, does not depend on the existing leader remaining in power. Thereby most importance should be given to the role of the institutions that organize the accountability of the leaders in the absence of elections. If these bureaucrats and technocrats grip on power is sufficiently strong they will discipline leaders towards the general interest and growth enhancing policy choices. When their grip on power is dependent on the leader's survival and compensation, they will not have any incentive for better policymaking. In this sense the authors find that democracy works better as there is large contest for power, that always motivates better policymaking. Second best is successful autocracy, that has an effective, hard-to-bribe selectorate. The worst cases are polarized democracies, that do not reward good general interest policies, and bad autocracies where leaders are able to hold on to power regardless of their performance.

In developmental states, economic growth and stability are the main considerations for the state leaders. As Atul Kohli's analysis also brings out that not all developmental states have visionary leadership and a growth-oriented mindset. South-Korea before 1945 and Nigeria were both non-democracies but had very different growth models. The Tracking Development project (Berendsen et al 2013) also researched the question why Sub-Saharan countries have not prospered in post-independence period while Southeast Asian countries have. This research used a method of paired comparison between selected country pairs in Sub-Saharan Africa and Southeast Asia. The key findings showed that all or nearly all the differences can be explained by three policy features: macroeconomic stability; pro-poor public spending and economic freedom for peasants and small entrepreneurs (Booth 2013) This finding contradicts prevailing diagnosis for the last 30 years of Africa's lagging performance – "that the primary problem is institutional and its ultimate cause

bad governance.” (Ibid, 500:2013) The authors of the research affirm that more interventionist or developmental states are required in economies of transformation. This is precisely what was lacking in African countries, where international institutions had prescribed neo-liberal policies as part of the 1980-s structural adjustment programmes (SAP). The authors of the research had observed the lack of evidence-based contributions to this argument as “realistic perspective on the politics of developmental governance in Africa has been the Achilles’ heel of the opposition to neo-liberal economics ever since the earliest debates in the 1980-s.” (Ibid, 502:2013)

For example, one of the country pairs analysed were Indonesia and Nigeria. The research concluded that one of the instrumental differences was the quality of human agency in economic policymaking. (Tirtosudarno 2013) There was a large difference between the two countries’ economist-technocrats in supervising the implementation of development plans. According to research it was more difficult to implement plans in decentralized Nigeria, which had adopted federalism in 1960 and had severe contest between different states and power centres. While, Indonesia, which was a unitary state since 1950, was more centralized and the technocrats were more able to carry out economic planning. (Ibid.) Nigerian technocrats failed to convince the military leaders to hand over economic matters to them. In Indonesia there was a successful division of labour between the technocrats, known as the “Berkley mafia,” who oversaw economic policy, and the military who controlled politics. And in the centre overlooking this division was the autocratic leader Suharto, who governed the country for a long time and made sure there was a suitable political environment where technocrats can play their role.

There was bribery and rent-seeking in both countries, but the key was coordination and ensuring that these bribes would flow upwards, so they could be used for long-term economic planning. The opposite is decentralised planning, where the political leadership is weak, and each competing agent will try to extract maximum revenue for individual interest. (Kelsall 2013; MacIntyre 2000) Furthermore, top down approach ensures that rent-creation and distribution is aligned with national development goals, while when clientelist systems are bottom up the governments are instead captured by private interest. (Khan 2000)

In conclusion the recipe for high growth under autocratic regimes, must include educated economic technocrats, and strong centralised political leadership. The economic technocrats ensure that macroeconomic policy follows long term growth, while strong political leadership ensures centralised and upward moving rent-management that is aligned with national

development goals. Furthermore, the selectorate should not depend on political leader's power and the selectorate needs to be powerful enough to replace the leader if they want to. The next section will discuss what qualities should successful political leaders have and how are they selected in the absence of elections.

1.3.1. Political meritocracy and the China model

China has successfully established “a free market capitalism under the umbrella of an authoritarian one-party state that emphasizes political stability above all else (Bell, 2015:179) The Chinese regime is based on “political meritocracy” which is the idea that a political system is designed with the aim of selecting political leaders with above average ability to make morally informed political judgments. That is, political meritocracy has two key components: the political leaders have above average ability and virtue; and the selection mechanism is designed to choose such leaders. (Bell 2015) Political meritocracy is also exercised in Singapore. Singapore's leaders argue that a small country with limited resources should be led by the best talent. In China, after the devastating Cultural Revolution, it was decided that leaders need to have high quality expertise rather than revolutionary energy. (Ibid.) But what abilities and virtues should matter for political leaders?

In China and Singapore intellectual ability is valued the most. This ability is easiest to test and measure. Aspiring party members are sent to the best universities abroad and are highly educated with above average test results. Second important ability, according to Bell is the possession of social skills. The ability to work with other talent, persuade, communicate and empathize with others. This is slightly more complex to test. But the most difficult aspect to test and measure is virtue. But virtue is the key component of political leadership, as mere intellectual ability and social skills could lead a sociopath to power. Political leaders should want to serve and benefit the people and they need to have high morale. Max Weber (as cited in Bell, 2015) distinguished three sources of authority – traditional, charismatic and legal. The charismatic leader, most relevant in meritocracy, is someone people obey because they believe in him. He should be passionate, devoted to a cause, with a feeling of responsibility and a sense of proportion. This leader should live for politics and not off politics, meaning that politics should not be viewed as a source of income.

In China selection mechanism starts very early on, as candidates are observed and peer-reviewed for virtue and abilities for many years. Aspiring party members need to go through ultracompetitive public service examinations, then gain decades of training and work experience in various parts of the country. Officials who make it through first levels of examinations are appointed to low ranking offices in a region different from which they grew up. This point supports Kohli's argument that central authority has to ensure penetration in all areas of the country. From these low ranking offices the bureaucrats start to move up the party ladder. They are often sent to high ranking universities abroad to learn and they will continue to learn throughout their careers. This sort of approach is rooted in Confucian ideology, which is the founding philosophy in Chinese state building. All candidates for China's highest decision making body, the Standing Committee of the Party, have served at least twice as a party secretary of a Chinese province. This demands high level managerial skills, as a typical Chinese province is the size of four European states. (Weiwei, 2012)

When looking at this form of extensive training and selection of bureaucrats and party members it shows how much the Chinese state puts emphasis on the quality of public administration. One of the reasons behind this meticulous selection mechanism is the legitimacy aspect of state power. When there is no mandate of the people, the state must ensure its stability by other means. Governments need to gain trust of the people and this is mainly done through showing stunning economic growth. Meritocratically selected leaders need to take the long view beyond next electoral cycle and provide more benefits for the disadvantaged and middle class to tackle inequality. Chinese public officials' performance is constantly evaluated. Metrics include regional economic growth, poverty reduction, environmental protection etc. Those officials who do well will receive bonuses, while those who don't will get their wages decreased. (Bell 2015)

The China model is unique as it consists of other two pillars, besides meritocracy at the top. These are democracy at the bottom and experimentation in the middle. Democracy at the bottom means that there is self-governance in villages and there are competitive elections to choose governing committee members. Direct village elections were introduced in 1982 in a new constitution which contained a clause „defining the village committee and residents' committee as self-governing organizations of the masses in rural and urban areas, respectively, including the provision that officeholders should be selected by election. „ (Bell, 2015: 181) It can be claimed that democracy works best at the local level where people feel more connected to the community and feel that they have more at stake and more direct influence in decision making. The experimentation part of the

China model takes place between local and central levels of government. The central government tests what works in the local level before introducing policies in the national level across the country. This highlights the effective central control and efficient coordination that the CCP has achieved.

Bell concludes that leadership is heavily context specific. Chinese type of state building demands very unique characteristics and might not be replicable by many other countries. This is only a workable model in large and diverse countries that are committed to peaceful form of social and economic modernization under the guidance of meritocratically selected leaders and a governing organization similar to CCP. Even though its state-led growth has been effective it must be noted that China's corruption index is still high, placing it on the 77th place out of 181 countries. (Transparency International 2017) Furthermore, China's criminal justice system remains opaque and behind international standards. According to Amnesty International death penalty report (2016) China is the world's top executioner of people. As the CCP's legitimacy is so firmly linked to economic growth delivery, it has a deep sense of domestic insecurity. China is also still suffering from a serious regional inequality problem.

1.4. Ethnic diversity factor in economic development

Authoritarian governments are repressive and the thought of „government by the people, for the people“ is unthinkable. The justification these repressive governments give, is that domestic opposition is destabilizing. In Kenya, for example there are currently two presidents. The official national elections gave power to Uhuru Kenyatta from the Kikuyu tribe. At the same time, Raila Odinga from the Luo tribe inaugurated himself as the peoples' president. This sort of partial democracy is posing a threat to the country's stability. In tribally divided countries the biggest obstacle to political and economic stability is the fact that people belonging to one tribe have a hard time seeing a member from another tribe ruling the entire country. But in some countries visionary leaders unite the state and its competing tribes, such as in Rwanda. Tribalism is considered an attitude, which harbours strong loyalty to one's tribe, while demonizing those who don't belong to that group. (Notwehr 2008) Different ethnicities could also compete with each other, even if the roots are not tribal.

Singapore is an often used example in linking prevention of ethnic violence with authoritarianism. Singapore is highly heterogeneous and before its independence in 1965 there was a lot of ethnic violence in the streets. By 1957, the three biggest ethnic groups were Chinese (75.4%), Malaysians (13.6%) and India-Pakistanis (8.6%). (Neville 1966) Among these groups there were also subdivisions into smaller communities. There were also economic differences between these groups and they all spoke different languages. When Lee Kuan Yew became the first prime minister he took many coercive steps to bring about racial harmony. One of these was the ethnic integration policy, which established ethnic quotas in public housing estates. This was to ensure that the housing estates would reflect the racial mix of Singapore instead of letting natural groupings to appear. Suppiah Dhanabalan, National Development Minister at the time said that by allowing races to regroup instead would mean going back to pre-1965 days, when there were ethnic mistrust and violence on the streets. (The Straits Times 1989) The same goes for voting and opposition efforts, the People's Action Party never allowed any opposition to form, for the sake of stability. Thereby, instead of traditional checks-and-balances and multi-party democracy, Singapore chose the Asian form of 'democracy' which emphasizes a strong government with values shaped by moral leadership and society subordinate to national concerns. Political opposition was considered harmful to the state and society (Ortmann and Thompson 2014). Singapore as one of the world's fastest growing economies could be seen as a role model in averting ethnic violence for the sake of growth.

There is a view, that ethnically polarized societies are more prone to competitive rent-seeking and have a harder time agreeing on public goods and policies. (Easterly and Levine 1997) Power struggles among ethnicities in Africa after colonisation shifted the attention from development and are seen as one of the causes for slow growth. (Ake 1996) Also, open political competition in ethnically plural society can lead to ethnic outbidding, where politicians will maximise support from voters in their ethnic groups. This will conclude in democratic breakdown and violence. (Beissinger 2008) One of the counter arguments is that many Western countries are ethnically diverse, but still work as democracies. By referring to Huntington's three waves of democratisation Beissinger (ibid.) makes a point that by the „third wave“ of democratisation, which began in the 1970-s and involved ethnically fragmented countries in Africa, ethnicity and language had become a basis to claim political and social rights, and these were backed by international norms of self-determination and minority protection. This had not been the case during the first democratizers.

Its not just ethnic diversity and mobilisation that threaten democracies and stability. Rather the

cultural, historical and social backgrounds of ethnic groups need to be analysed to see why in some countries there is larger degree of ethnical violence and politization of ethnicity than in others. For example the two case studies in this thesis, Rwanda and Botswana, both have similar percentages of ethnic division between majority and minority. However, one works as a democracy while the other as successful autocracy. After all, it's not about the amount of ethnic groups, but rather do they all share a common national identity on top of sub-national identities. This national unity could be achieved by „living in urban areas, having more education, and being formally employed in the modern sector.“ (Robinson, 2014:711)

Besides that, it matters that the political leaders wouldn't use ethnicity as a tool to maintain power, which creates the notion of politizing ethnicity and further motivates violent mobilisation efforts. According to Kohli (2004) one of the tools used in South-Korea to bring about development, was nationalistic ideology that would keep state stable from the inside. Singapore and China, similarly ensure that national patriotism is valued more highly than individual ethnicity. It can be argued that African leaders lack the ability to enforce a common national ideology which is needed in successful developmental states. (Mkandawire 2001) National borders left behind by colonial powers didn't reflect any historically grown community. Africa is the most ethnically diverse region in the developing world and it has the highest incidence of civil war arising from ancestral ethnic hatred. (Collier 2001) Furthermore, when there is ethnic based income inequality among the population, this leads to even more instability (Ibid.)

In conclusion, successful governments are those that ensure individual and state well-being. In democracies, the electorate and rule of law keep governments accountable for this effort. However, when the electorate votes according to narrow ethnic lines then this could lead to instability and interfere with development efforts. In these settings it becomes the role of the government to keep the country stable and direct economic development. Growth will be the source of government legitimacy. This demands a strong political leadership and well organized bureaucracy. The hypotheses to test based on the theoretical framework are the following. Visionary leadership and effective state bureaucracy are needed to orchestrate economic development in the absence of electorate. Authoritarian regimes are better at averting ethnic violence and promote stability.

2. RWANDA, ETHIOPIA, BOTSWANA- ECONOMY, LEADERSHIP, ETHNICITY

Rwanda, Ethiopia and Botswana are all examples of successful economic development, which in this thesis considers growth in economic and human development indicators as seen in table 1. Economic indicators are per capita income, gross domestic product, and productivity growth through aforementioned four components: innovation, education, resource allocation and infrastructure. Human development indicator is the HDI index which takes into account key dimensions of human development, such as a long and healthy life, being educated and having a decent standard of living. This section will briefly introduce the economy, leadership and ethnic diversity in the case studies.

Rwanda and Ethiopia are low income countries with autocratic regimes, that have shown improvements in living standards and economic growth in the last decade. Ethiopia is one of the 10 countries globally that has shown the largest gains in HDI and economic growth. It has also invested heavily into economic and social infrastructure; there is high pro-poor expenditures for social services; and improvements in several social indicators, including a reduction in the poverty headcount from 38.7 to 26 per cent between 2004-2013. (UNDP 2014) Between 1990 and 2015, Rwanda's HDI value increased 103.9 percent. The life expectancy at birth increased by 31.3 years, mean years of schooling increased by 2.0 years and expected years of schooling increased by 5.1 years. Rwanda's GNI per capita increased around 90.9 percent between 1990 and 2015. (UNDP 2016)

Table 1. Key indicators of case studies

	Botswana	Rwanda	Ethiopia
Freedom rating	2.5 (“Free”)	6.0 (“Not free”)	6.5 (“Not free”)
Real GDP growth (annual %)	4.8	6.8	8.5
GNI per capita (2000/2015) (\$)	9130/14,663	792/1,617	617/1,523
HDI (2000/2015)	0.560/0.698	0.332/0.498	0.283/0.448
Education Index (2000/2015)	0.583/0.658	0.272/0.426	0.169/0.318
Doing Business Index/Rank (2018)	64.94/81	73.4/41	47.77/161
Total unemployment rate (%)	18.6	2.4	5.5
Gini coefficient	60.5	50.4	33.2
Current government in power	BDP (52y)	RPF (24y)	EPRDF (27y)
Global Innovation Index/Rank (2017)	29.97/89	27.36/99	24.16/110
Corruption Perception Index/Rank (2018)	61/34	55/48	35/107

Sources: Freedomhouse, UNDP, IMF, Transparency International

Botswana is an upper middle income country and the longest standing democracy in Africa. Shortly after independence in 1966 diamonds were discovered, which changed its economic status. Since its independence it has maintained high economic growth and regular elections. It is a stable country with a considerably low corruption index. Botswana, despite being a successful democracy still gets a lot of criticism for marginalizing minorities and allocating a lot of power into the president’s hands. The government deported Kenneth Good, a political science lecturer and vocal critic of the government in 2005, for saying that the country is ruled by a secretive elite (BBC, 2005) Some scholars such as Przeworski (cited in Acemoglu and Robinson 2006) don’t consider Botswana a democracy, because even though it has free and fair elections, free entry into politics, and accountability of government, the Botswana Democratic Party has won every election since independence in 1966. Their claim is that a country can’t be democratic unless a dominant political party has been observed to lose power.

The three case studies are all examples of noteworthy leaders. Botswana’s first president Seretse Khama diverted resource based wealth back to the economy instead of a small elite, as many other

African leaders have done. Ethiopian and Rwandan first leaders were instrumental players in stabilizing the country after devastating civil wars. President Paul Kagame and his party, Rwandan Patriotic Front (RPF) have been in power since 1994. The party took power after a brutal genocide killed over 800,000 people and started rebuilding the economy straight afterwards. In Ethiopia, the ruling political coalition EPRDF has been in power since 1991, when they overthrew a brutal military regime. The civil war that erupted under the military regime killed over a million people. In Rwandan case president Paul Kagame is still leading the country. In Ethiopia, the prime minister who was instrumental during the historical transition period was Meles Zenawi, who passed away in 2012. His successor Hailemariam Desalegn had a hard time gaining the same respect and offered his resignation after six years in post.

Rwanda and Ethiopia have both struggled with ethnic violence in recent history. Rwanda has seen a strong divide between two ethnic groups, the majority Hutus (85%) and minority Tutsis (14%) (Encyclopedia Britannica 2002) There has not always been violence but there has been clear class distinction between the two groups from early on. During the 17th century a majority of the Hutus worked as farmers, while the Tutsis were mostly cattle herders and there was not much integration between them. But as soon as the population grew and land became more scarce, friction occurred, because cattle herding demanded more land per unit of production than farming. (Vansina 2004) Tutsis became the political elite and ran the country as a kingdom.

Ethiopia's ethnic tensions are considered to rise from its federal structure. (Taye 2017) Federalism is widely believed to harm chances for stable democracy in ethnically diverse countries. (Beissinger 2011) The Federal Republic of Ethiopia is governed by the Ethiopian People's Revolutionary Democratic Front (EPRDF) a coalition comprising of parties representing different regions of the country - Tigrean People's Liberation Front (TPLF), the Amhara National Democratic Movement (ANDM), the Oromo People's Democratic Organisation (OPDO) and the South Ethiopian People's Democratic Front. (SEPDF) The biggest ethnic groups are Oromo, (35,3%) Amhara, (26,2%) Somali, (6,0%) and Tigray (5,9%) (Encyclopedia Britannica 2012) Amhara and Tigray ethnic groups have been the most powerful and dominant ones, Amharans during the Ethiopian empire and Tigrayans in modern times.

To understand Ethiopian ethnic struggles, one must understand the state's federal structure, as most Ethiopian major conflicts take place between territorialised ethnic groups. (Taye 2017) There

are currently nine member states in the Federal Republic of Ethiopia based on ethnic patterns as seen in figure 1.



Figure 1. Administrative divisions of Ethiopia

Source: Wikimedia commons

The constitution of the Federal Republic of Ethiopia holds that the Republic shall be comprised of states and furthermore that „states shall be delimited on the basis of the settlement patterns, language, identity and consent of the peoples concerned.“ (Article 46 (2)) The constitution also allows the right to self-determination, including the right to secession for every nation, nationality and people in Ethiopia. (Article 39 (1))

Botswana also has different ethnic groups. Tswana (66,8%) is the majority group and the second biggest is Kalanga (14,8%) and also some small minorities. (Encyclopedia Britannica 2000) However, there have not been any violent clashes between these groups, and the Tswanas are considered the dominant group.

2.1. Productivity growth in case studies

To claim that the three case studies are all examples of successful development, one must look as how the countries have performed in productivity growth. More precisely states activities in the four components of productivity growth – innovation, efficiency, education and infrastructure. First, innovation consists of creating new technologies and processes which can lead to the development of high value added activities (Young et al 2016) Rwanda has the highest global innovation index of the three case studies. It is considered an innovation achiever and

outperformer. (GII 2017) President Kagame has been called as the “digital president” for its national technology boosting initiatives, such as “One Laptop per Child Program.” Kagame also struck a deal with South Korean telecoms firm to provide 4G internet to its citizens. (Smith 2013) The government issued the “Vision 2020” agenda in 2000, which aimed to transform Rwanda into a knowledge-based economy and attain a middle-income country status by 2020.

Ethiopia has the lowest innovation score among the case studies. In 1993, the country adopted the national Science and Technology (S&T) policy to “boost innovation activities for economic development through the application of science and technology.” (UNDP 2014) But the implementation remained weak. However, it is noted that the government focuses a lot on agriculture research, by shifting a considerable portion of ODA into agriculture research. Ethiopia also has the highest share of tertiary students in agriculture studies in the world (GII 2017) The agricultural sector is the key driver of growth and as the country struggles with difficult climate it puts a lot of emphasis on R&D and innovation in this field. Such as agricultural digital information systems or planting higher-yielding, drought tolerant seeds. (Gates 2012)

Botswana innovation is considered as performing below its level of development. (GII 2017) In 2005 Botswana launched the National Research, Science and Technology plan, where it set out priority areas for science and technology research and development. These are areas where Botswana has comparative advantage such as „health; the service industry; eco and cultural tourism; the software industry; manufacturing; mining; water; energy; agriculture; media, education and human resource development; housing and construction; as well as transport and logistics“ (CSIR 2005) All three case studies show that governments allocate attention to innovation policies.

The second component of productivity growth is efficient allocation of resources. This is defined as the effectiveness and timeliness with which capital and labor are allocated across sectors. (Young et al 2016) Rwanda and Ethiopia have set up state owned private holding companies and endowment funds to invest into preferred enterprises that are deemed to have significant impact on development. In Rwanda the state intervenes in the country’s most critical sectors through a private holding company, Tri-Star Investments/CVL, which is entirely owned by the RPF. Throughout the 1990s Tri-Star invested into areas such as metals trading, road construction, housing estates, building materials, fruit processing among others. (Matfess 2015) Rwanda also started investing into developing its ICT and tourism sectors as they see their comparative

advantage there. In Ethiopia there is a similar pattern, as the law prohibits political parties to invest in business, there are endowment funds set up in between. So, businesses are owned by endowment funds, that are run by party members. The Endowment Fund for Rehabilitation of Tigray (EFFORT) for example was established by the Tigray People's Liberation Front and it is one of the most powerful funds. EFFORT has invested into building materials, textiles, industrial engineering, mining, banking, trading, construction services, and livestock. (Altenburg 2010)

In terms of diversifying its economy, Rwanda has shown structural movements towards more productive sectors. Between 2001-2010 there was substantial increase in the service sector contribution to GDP, from 38% to 46%. There was also a slight increase in the industry sector at the same time period, from 12.7% to 13.9%. The contribution of agriculture to GDP decreased from 43% to 35%. (Malunda 2012) Ethiopia puts a lot of emphasis on agricultural demand-led industrialisation, as 85% of its workforce is rural, and the vast majority is engaged in agriculture. Between 1961-2011 agriculture share in GDP declined from 85% to 42%. Service sector output in Ethiopia increased from 9% to 46.6% in the same timeframe. However, manufacturing output remained modest by growing from 2% to 5.2% in those years. (Kabeta and Sidhu 2016) Ethiopia has a lot of potential to become the "China of Africa" for its attraction as a manufacturing location. Low labour cost, young workforce and sufficient infrastructure have drawn the attention of many foreign firms. (Gelb et al 2017)

Botswana is dependent on its diamond mining industry. The mining sector accounts for about 35% of GDP, while diamonds contribute 94% of the total mining share in GDP. Between 2006-2011 agriculture share in GDP increased from 1.9% to 2.6%. Mining decreased from 46.1% to 34.7%. Manufacturing increased from 3.5% to 4.2% and services to GDP increased from 37.6% to 44.8%. (AfDB 2012) While there is sufficient allocation of wealth in Botswana, it has been unable to diversify its economy and create jobs. Unemployment is high and there are not enough skills matching in the non-mining sector. This has also resulted in one of the highest inequality levels in the world. It is estimated that non-diamond GDP has to grow at an average of 6.4% annually for the next 20 years to reduce the country's unemployment rate to 5%. (Honde 2017) Education expenditure is among the highest in the world at 9% of GDP, but it has still not created a skilled workforce. To achieve economic diversification, Botswana needs to promote industrialisation by accelerating economic transformation from the primary diamond sector to advanced manufacturing and services sectors. (Ibid.) Rwanda and Ethiopia are more successful in state-led development of preferred sectors and diversity of the economy than Botswana.

Similarly to Botswana, the other two case studies invest a lot into public services such as education and infrastructure- the remaining two components of productivity growth. In Ethiopia, 64% of the government's total budget is spent on sectors that are mainly pro-poor, such as education, health, agriculture, water, and roads. (Altenburg 2010) The term "pro-poor expenditure" is not used in Rwanda, instead the government focuses on "priority programmes" and "priority areas." In 1998 its budget started targeting social sectors to ensure there are means to deal with the consequences of the genocide. The share of the priority programme areas in the budget rose from 22% to 29% between 1997-1999 (Purcell et al 2006)

All in all, the three case studies show that the governments are interested in inclusive and successful economic development, by focusing on important components of productivity growth. Governments of Rwanda and Ethiopia intervene more into the economy through private holding companies, than Botswana. Though unemployment and inequality are much higher in Botswana. All three countries have high public spending in areas such as education and infrastructure.

3. IMPORTANCE OF VISIONARY LEADERSHIP

This section will look at what role visionary leadership and selectorate played in successful development of these case studies. As seen from the literature review, growth rates depend on the organizational abilities of leadership and contest to power leads to better policymaking. There are three characteristics of successful autocratic leadership that ensure development. First, selectorate needs to be securely in power, to ensure better policymaking in the absence of checks and balances. Secondly, selectorate needs to be effective, hard to bribe and powerful enough to change the leader if they want to. Thirdly, charismatic and meritocratically selected political leaders need to ensure top down and well-coordinated rent seeking, that is aligned with national development goals. Furthermore, political leaders need to have intellectual and social abilities and virtue. They need to be motivated by long term development, not immediate extraction.

3.1. Paul Kagame in Rwanda

Leaders of Rwanda and Ethiopia are both keen followers of the China model and East-Asian development policies. In 2007, Paul Kagame took a team to Singapore to study how the country turned itself from a regional trading post into a global business capital. There are parallels between Rwanda and Singapore - both are run by strong, postcolonial governments whose democratic credentials are widely questioned. (Chu 2009) Paul Kagame told *Der Spiegel* journalist in an interview that “there are things I admire, for example, about South Korea or Singapore. I admire their history, their development and how intensively they have invested in their people and in technology. It was not so long ago that they were at the same level of development as we are. Today, they are far ahead of us.” (Kagame 2010) Following the Asian Tigers developmental states model, Rwanda wants to become the “African Gorilla in the 21st century.” (Chu 2009) Similarly to China and Singapore, there are no regular democratic elections in Rwanda. When Al Jazeera journalist Mehdi Hasan (2016) was interviewing Rwanda’s foreign minister Louise Mushikiwabo, he critically questioned the country’s human rights issues and asked whether it is

healthy for a president to be in power for a third of a century. He was pointing at the 2017 referendum which allowed for president Paul Kagame to run for office for a third 7-year term. Mushikiwabo replied that she does not see anything wrong with staying in office for a long time. “For Rwandans democracy isn’t about coming or going, it’s about what you do in office.”

Paul Kagame was the leader of the rebel forces that defeated the government in charge of initiating the genocide. This has given him a certain authority, respect and fear among the citizens and state bureaucracy. During elections, opposition parties are forbidden to run or are not real competitors to Kagame. The voter turnout is high, as the citizens know what is expected of them. Officials often go around villages to collect voter cards, so there is no need to go to polling stations. (Reyntjens 2013) Most of Kagame’s “inner-circle” and the decision-makers in government are from Kagame’s ethnic group, the Tutsi. When government members become vocally critical against Kagame, they are better to find refuge abroad or face prison time. (Ibid.) However, Rwandan state bureaucracy is effective, and the corruption perception index is relatively low. Rwanda also has the second highest ease of doing business index on the continent as it aims to make its bureaucracy as efficient as possible. Effective bureaucracy, according to Kohli (2004) and Johnson (1982) is an important characteristic of successful developmental states.

Rwandan selectorate is more dependent on the president’s survival than recommended in Besley and Kudamutsu’s (2007) argument. However, in Rwanda the “public servants work under intense performance pressures.” (Mutebi 2016) Government agencies and the President of Rwanda sign performance contracts known as Imhigos. Imihigo is a Kinyarwanda word, meaning the setting of goals to be evaluated. It is founded on an old Rwandan cultural practice, where two parties publicly commit themselves to achieving a demanding task and failure to meet these commitments leads to public dishonor. (AFDB 2012) These contracts detail targets on a number of governance, justice, economic and social indicators for institutions. “The stated objective of Imihigo is to improve the speed and quality of execution of government programmes, thus making public agencies more effective. “ (Versailles 2012) This is similar to China’s evaluation of public officials and in Rwanda the monitoring is done by Rwanda Governance Board. These contracts aren’t just a formality introduced in response to external pressures, these are taken seriously as „many careers are built or destroyed on the basis of performance evaluations. “ (Mutebi 2016) This makes the administration hard to bribe as well, because performance is so highly valued. Paul Kagame, described as the CEO of Rwanda Inc., takes performance metrics seriously. He criticizes government officials if they don’t achieve targets and fires them for poor performance despite their

loyalty. (Reyntjens, 2018) This is an example of a top-down leadership that coordinates efforts to align national development goals.

Paul Kagame was born into an aristocratic Tutsi family who fled the country during the Hutu uprising in the late 1950, which made him grow up in a Tutsi refugee camp in Uganda. (Grant 2010) He was devoted to the cause of uniting the country so that no one had to live in refuge as he did. This experience gave his leadership and vision more credibility. Kagame is an example of Weber's charismatic leader, with a passion and clear devotion to a cause. Kagame has very little formal schooling, but instead he credits his leadership skills to extensive military training in the Ugandan army during his refugee years. This is somewhat different to the China model and Singapore example, where intellectual ability and schooling are seen as important features in leadership.

3.2. Meles Zenawi and Hailemariam Desalegn in Ethiopia

Melez Zenawi, leader of Ethiopia since 1991 was similarly to Rwandan president intrigued by the Asian development model instead of the western liberal democracy paradigms. (Kelsall, 2013; Altenberg 2010; Leffort 2013) He published a paper in 2012, where he criticised the neo-liberal model as being a "dead end" and claimed that in order to bring about African renaissance, states need to move away from that model and become more developmental instead. (Zenawi 2012)

Throughout its history, Ethiopia was centrally governed. During Emperor Haile Senassie's feudal rule the country lived through famine and was overthrown by a military coup led by Marxist colonel Mengistu Haile Mariam. The military regime implemented a command economy and nationalized industries, which led to famine and civil war. (Kelsall 2013) In 1991, rebel groups, mainly consisting of the Tigray people and led by Meles Zenawi, overthrew the Dergue regime and set up a transition government. The new EPRDF coalition wanted to steer the country away from previous disastrous plan economies and aimed to deliver democracy, human rights, a decentralized system of governance and a liberalized economy. (Gudina 2011) However, few of these promises were kept, when the country instead moved towards authoritarian developmentalism to achieve high growth. The government calls its policy "revolutionary democracy" (Matfess 2015; Kelsall 2013) which characterizes its state-directed development.

Since EPRDF came to power in 1991 there have been elections, which have mainly worked as a façade. The opposition has been forced to withdraw and the EPRDF has usually received over 90% of the seats. (Gudina 2012) After four non-competitive elections, the international community and donors pressured EPRDF to open its political system. In May 2005, there was the first attempt at democratic elections, with some restraints of public campaigning for opposition. EPRDF realized to its surprise, that there was strong opposition to their rule, mainly from urban voters. There was strong support for pan-Ethiopianist parties opposed to the system of ethnic federalism. (Vaughan 2011, in Kelsall 2013) However, EPRDF declared its victory, even before all votes were counted, which raised violent protestst and government crackdown against protesters. This in turn brought along reforms which made opposition nearly impossible during elections and raised dissatisfaction among parts of the society.

One of the main reasons of the regimes' limited legitimacy is its ethnic bias. The Tigrayan minority, where Zenawi also belonged to, dominates the EPRDF. They have disproportionate influence over the executive and legislature and they hold key positions in the army, police, security services and public economic sector. (Leffort 2013) Hence, there is paradox between the constitution allowing self-determination and secession of all nations inside the ethnic federal system, and the tight control actually belonging to a minority ethnic group. Amharic and Oromo people make up more than half of the Ethiopian population. Oromo people have long claimed that they are being repressed by the Tigray minority and Amharans, and want to have a stronger presence in the government coalition. Kohli emphasised that state power needs to be present in rural areas and peripheries in cohesive-capitalist states. This is achieved through local influencers who carry on central ideology. Even in China, there are democratic elections in the local level, exemplifying its inner stability. Tracking Development Project also brought out that in Nigeria the federal state had too many power centres and coordination was more difficult than in unitary Indonesia. Ethiopia is more of an example of Kohli's fragmented multi-class state with too many conflicting interests and no framework to solve them.

Meles Zenawi was a charismatic leader, who ruled the government and enjoyed the same respect and fear like Paul Kagame. Much for the same reason of being the leader of the rebel forces that defeated the repressive Derg regime and started rebuilding the economy afterwards. He rewarded people loyal to him and imprisoned critics. He had extensive military training and employed military tactics in his leadership, and similarly to Kagame he didn't have formal education. However, when Zenawi died in 2012, he was replaced by Hailemariam Desalegn, who was from

the Southern part of the country and not from the Tigray ethnic group. He did not manage to get enough support from the government. His educational background was in sanitation engineering and he did not have the qualities of a charismatic leader as Zenawi and Kagame.

One large wave of influential protests began in 2015 when the government wanted to expand the capital city Addis Ababa into the Oromia region. The capital is situated in the middle of the Oromia and Amhara region. The plan was soon dropped, but tensions remained for the next three years. Over a thousand protestors have been killed and tens of thousands arrested. In February, 2018 there was a 3-day social shutdown in Oromia region as a sign of protest. A striking turn of events was the resignation of prime minister Hailemariam Desalegn on the 15th February 2018. Desalegn said that he sees his resignation as „vital in the bid to carry out reforms that would lead to sustainable peace and democracy,” (Mumbere, 2018) The government declared a State of Emergency as it started to look for a new chairman of the ruling coalition to become the new prime minister. In Ethiopia the selectorate is powerful enough to replace the leader if they want to, similarly to the China model. However the political instability and civil unrest between 2015 and 2018 worried global investors and lowered the state’s reputation. The selectorate was not fast enough to respond to the situation.

After the transition period, the Oromos finally secured their political candidate Abiy Ahmed to become the new chairman on the 27th of March, 2018 and new prime minister. This is the first time prime minister position is held by representative of the Oromos. In his acceptance speech, Ahmed vowed to follow the principles of democracy. Abiy Ahmed has very strong military and intelligence ties. Ahmed was the former lieutenant-colonel in the Ethiopian army and head of Ethiopia's science and technology ministry, with a reputation as an effective orator and reformer. (Al Jazeera, 2018) He also has a doctorate degree in Peace and Security studies. Ahmed is an example of a meritocratically selected leader.

3.3. Botswana Democratic Party

Botswana’s first president Seretse Khama was very much in favour of liberal democracy and inclusive institutions. Khama, the heir to the largest chieftancy in Botswana, studied law in England, where he met and married an English woman, Ruth Williams. They returned to Botswana, where Khama became the president and leader of the Botswana Democratic Party. He

vowed to follow a democratic path of governance. The prudent management of its resource wealth, managed to transform the country from a least developed country to a middle-income country in 1992. (AfDB 2017) The government took many preventative measures to avoid a resource curse. They built up financial reserves to counter fluctuations in international prices for primary exports. They relied on experts to plan responses to possible disasters, diverted money into education and avoided foreign debt. (Cook and Sarkin 2010) It's an example of leadership that focuses on future growth not immediate extraction. There was also emphasis on highly qualified technocrats to plan macroeconomic policy. Botswana is often called the miracle of Africa, for its history of successful democratic transitions. During the last election in 2014, BDP's victory came by a narrow margin. For the first time in its 52 year reign they received under 50 percent of the vote. Main opposition was seen from urban areas, where unemployment is higher. (Jager and Taylor, 2015) The latest leader of Botswana, Ian Khama, the son of Seretse Khama, stepped down on the 31st of March, 2018. The constitution prevents anyone exceeding the limit of two terms in power. The power is transitioned to vice president Mokgweetsi Masisi until elections in 2019. Botswana's source of authority is legal instead of charismatic, as in Rwanda and Ethiopia.

In conclusion, all these countries benefitted from leadership that had a developmental mindset and long term view. These leaders had virtue and devotion and were not interested in immediate extraction and personal wealth. Kagame, Zenawi and Seretse Khama also had important leadership skills. Khama was highly educated, while Kagame and Zenawi credited their leadership skills to military training. There is efficient government coordination in Botswana and Rwanda as they are unitary states. In Ethiopia, the developmental state and ethnic federalism principles are contradicting each other. To give each regional unit right to secession, while federal government is dominated by ethnic politics essentially leads to civil unrest, as was seen during the Addis Ababa expansion incident in 2015. It is important that all government institutions follow the national development agenda, if there is regional and local opposition, this stalls development. Rwanda, similarly to China sets and tracks key performance metrics of public officials, while in Ethiopia there is friction between federal government and regional representatives. When it comes to the role of selectorate, each country performs differently. In Rwanda, the government follows strict performance metrics under the rule of a charismatic and passionate president. In Ethiopia, the selectorate is firmly in power as they were able to get rid of the unefficient prime minister Hailemariam Desalegn. They assigned a new prime minister, who has important merit, such as military training, intelligence service experience and a doctorate degree. In Botswana, the electorate contests government power if it is not performing well.

4. DEALING WITH ETHNIC TENSIONS

Authoritarian regimes are sometimes considered better at stabilizing economies, by claiming that democratic contest could be a hindrance to development. Ethnic and tribal tensions are destabilizing and often considered as one of the main reasons African countries have been unable to focus on development. These case studies all have different history of ethnic tensions and their governments have responded differently.

In Rwanda, there was a historic divide between Hutus and Tutsis, as Tutsis were wealthier and ruled the country as a kingdom in the 17th century. Rwanda officially became a Belgian colony after World War I. During the colonial period, Belgians preferred Tutsis and placed them on higher administrative positions (Pottier 2002) Tutsis were overlooking forced labour mainly carried out by Hutus, considered as of inferior race by the colonizers. To further fuel ethnic divide, in 1926 Belgians handed out ethnicity based identification cards. In the late 1950s, the international community addressed the racial inferiority factor and the Belgians were pressured to replace Tutsi chiefs with Hutus. This started the first large scale violence between Hutus and Tutsis. In 1959 the Hutus began an uprising against Tutsis, which sifted the power to Hutus for the first time. Hundreds of thousands of Tutsis became refugees and fled to neighbouring countries. In 1962, when Rwanda became independent it was ruled by two consecutive Hutu presidents – Gregoire Kayibanda and Juvenal Habyarima. Their policies were similarly oriented along ethnic lines and gave preference to Hutus. Habyarima even forbid the Tutsi refugees to return to their homeland. However, many of the Tutsis started forming together in their refugee diasporas and vowed to take back control. They formed the Rwanda Patriotic Front (RPF) and made their way back across the borders. When the plane carrying president Juvenal Habyarima was shot down in 1994, it escalated the ethnic violence into a full-scale genocide killing 800,000 Hutus within a hundred days.

The Paul Kagame led rebel movement, managed to take over control and formed the new government. Kagame introduced himself as a Rwandan, rather than a Tutsi. He used a similar approach as Singapore's leader Lee Kuan Yew, in dealing with ethnic contest. Lee Kuan Yew said in his famous independence speech on the 9th of August, 1965 that „this is not a Malay nation; this is not a Chinese nation; this is not an Indian nation. Everyone will have his place, equal: language, culture, religion.“ (NAS 1965) He also discredited the lobbyists who wanted to assign Chinese as the lingua franca, but Yew pushed for a neutral English language instead. English was

also made one of the three official languages in Rwanda, alongside French and Kinyarwanda, in 1994 when the RPF came to power. In 2008, the government switched the education system from French to English (McGreal 2008) and in 2017 Swahili was added as the fourth official language. These decisions were based on the fact that the neighbouring countries, Uganda, Tanzania and Kenya have English and Swahili as their official languages. This promotes better trade relations with the neighbours. Political opposition is forbidden in order to keep away ethnic tensions. It is forbidden to create political groups based on ethnicity or religion in Rwanda.

In Botswana, during the colonial times, the British administration recognized the political legitimacy of the Tswana chiefs (Mayersen and McLoughlin 2011) similarly to Rwanda these were the Tutsis for the most time. However, in decolonisation Rwanda descended into ethnic violence, while in Botswana the power remained in the hands of the Tswanas. The first constitution followed the traditional structure of the chieftanship (Ibid.) When Botswana’s parliament was formed, the upper house was called the House of Chiefs. “This provided a role for the eight Tswana tribal chiefs, along with a number of sub-chiefs, in the running of the nation. It effectively led to these eight powerful tribal leaders, who already had well entrenched roles in the colonial protectorate, all supporting the proposed democratic system.” (Ibid, 2011:251) The Tswana have marginalized existing minorities ever since as they have little chance of impacting the Tswana’s dominance in the political sphere (Cook & Sarkin 2010) Setswana and English are the only official languages allowed to use in schools and government.

Rwanda and Botswana have similar ethnic divisions percentage wise, between majority and biggest minority as seen in figure 2.

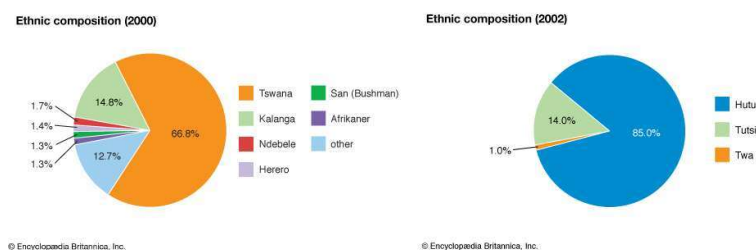


Figure 2. Ethnic composition in Botswana (left) and Rwanda (right)
Source. Encyclopedia Britannica

Bipolar societies are commonly at risk of polarization. According to the previously mentioned Besley and Kudamutsu (2007) argument that polarized democracies are second worst scenarios

for growth as they that do not reward good general interest policies. Robinson (2014) claims that it's national identity on top of sub-national identity that nullifies the importance of the amount of ethnic identities. In Botswana, the national identity is common among the ethnic groups. „Tswanadom“, is the belief that all people in Botswana are equally important. The name of the country is translated as the „land of the Tswanas“ and there is no contestation to this unified ideology. In Rwanda, however there has been strong history of violence between the ethnic groups, who have fought for dominance. This only stopped, when autocratic leader came to power and announced that everyone is Rwandan and there must be unity in the country. Much like in Singapore, which underwent autocratic steps to unify the country.

Ethiopia recently went through an influential civilian uprising, which resulted in the resignation of the prime minister. The uprising came from a certain ethnic group, who was not satisfied with its lack of representation in the government. According to Kohli (2004) successful state led development needs to ensure central government's deep penetration in rural areas and periphery, which is clearly not the case in Ethiopia due to ethnofederalism set out in the constitution. Hence, Ethiopia is a controversial example. The authoritarian state led development ensured a minority led government during Meles Zenawi's rule, but as its constitution allows for the self-determination of all nations, the recent uprising of Oromo people put in place a new prime minister from its ethnic group. Gebreluel and Bedasso (2018) argue that Ethiopia's ethnic politics are an existential threat, which can lead the country to a vicious cycle of political conflict. Much of Ethiopia's appeal to global investors come from its high level political commitment to economic growth. To ensure this growth, government should give more power to regional states and demand commitment to the same goals. It should also commit to de-ethnicization of political competition at federal level to allow more meritocracy and economic efficiency.

In conclusion, autocratic leaders can be successful in uniting an ethnically fractioned country such as Rwanda. When a country has common national identity in spite of ethnic diversity such as in Botswana, then democratic rule is possible. However, when roots of ethnic violence are imminent this national identity must be instilled by a strong autocratic leader, such as Kagame. The third option is that a strong leader keeps the country stable, but when the leader dies there will be a power vacuum, whereby ethnic tensions can rise again, such as in Ethiopia. The power vacuum depends on the nature of the selectorate and whether they can reorganize after the leader dies.

SUMMARY

Successful development can happen both in democracies and autocracies as seen from the three case studies. The most needed input is a visionary leadership that has a developmental mindset to orchestrate development. Economic development is brought about through productivity growth, which consists of investment in innovation, education, effective allocation of resources for production in various sectors, and infrastructure, both physical and intangible.

In Rwanda and Ethiopia, governments brought about successful economic development without regular elections. Instead they obtained their legitimacy through economic and human development indicators. In Botswana, the first government led by Seretse Khama pioneered in prudent resource wealth management, which has been followed since. There are regular elections, but the same party has been in power for 52 years. African leaders have a bad reputation for resource wealth extraction and Botswana Democratic Party has seemed to gain enough trust from the electorate. However, it has failed to diversify its economy, which was reflected in the weak latest election results. In Rwanda and Ethiopia visionary leaders created interventionist development plans and policies to steer the economy. There is pressure to keep unemployment and inequality low to ensure its legitimacy in the absence of elections. Autocratic leaders must have a long term view and capability to implement these views.

Authoritarian leaders also need to ensure political stability, effective bureaucracy and autonomous selectorate. Hailemariam Desalegn was not backed up by the same political power as Meles Zenawi. When there is no mandate of the people, there needs to be a mandate by a strong and powerful selectorate. Hence, in 2018 the government of Ethiopia responded to the mass uprising in the Oromia region and appointed an Oromo leader as the prime minister. The new leader is showing signs of pro-democracy and it is yet to be seen whether the country will become a democracy and whether there will be a legitimate transition of power in the next elections. In Ethiopia, political competition is severely ethnicized and regional powers don't align with national development goals.

Ethnic factors and tribal tensions have been destabilizing factors for African countries and one of the reasons they remain underdeveloped. Authoritarian leaders are better at uniting competing ethnic tribes, such as Paul Kagame in Rwanda. Meles Zenawi was also able to keep the country

stable in spite of frequent small scale ethnic uprisings. In Botswana there is no ethnic competition hence the country can be a democracy. In Rwanda and Ethiopia the leaders were both from minorities, while Botswana is run by a majority. Now, Ethiopia has a leader from a majority and according to this thesis it might be able to function as a democracy. The worst-case scenario is a minority leader with no political power, such as the case of Hailemariam Desalegn. However, if there continues to be ethnic tensions in Ethiopia, then the leader could benefit from more authoritarian tendencies such as in Rwanda. It most definitely needs to ensure economic and human development through effective planning and top down leadership aligned to national development goals such as in the case of Kagame and Zenawi.

Botswana has strong national unity and its ruling party is credited for good management of resource wealth, hence its development model is incompatible to the other two countries. When countries have politicised ethnic diversity instead of national unity and no resources, they could benefit from authoritarian leaders and government intervention. The only risk comes, when authoritarian leaders die and there is a power vacuum. This can only be solved by having an autonomous selectorate who doesn't depend on the survival of the political leader and can reorganize fast. It is yet to be seen, whether the power transition in Rwanda will be similar to Ethiopia's case or not.

Political leadership must have certain qualities, by which the selectorate selects them in office, in the absence of elections. In China and Singapore these qualities include intellectual and social abilities and virtue. In Rwanda, Ethiopia and Botswana its self-appointed leaders had a long term view and devotion to develop their countries. In Rwanda and Ethiopia, military instead of educational background was a common feature of its charismatic leaders. After Zenawi's death Ethiopian selectorate put Hailemariam Desalegn in power, who failed to keep the country stable. The selectorate now put a new leader in power, but in between there were destabilizing mass protests and a State of Emergency. What abilities matter in African political leadership and how to effectively transition power in the absence of elections would be propositions for future research.

LIST OF REFERENCES

- Abyi Ahmed sworn in as Ethiopia's prime minister* (2018) Al Jazeera. Accessible:
<https://www.aljazeera.com/news/2018/04/abiye-ahmed-sworn-ethiopia-prime-minister-180402082621161.html>
- Acemoglu, D., Robinson, J. (2012) *Why nations fail*. New York: Crown Business.
- Acemoglu, D., Robinson, J. (2006) *Economic origins of dictatorship and democracy*. Cambridge: Cambridge University Press
- AFDB (2012) *Performance contracts and social service delivery- lessons from Rwanda*. Rwanda Field Office: African Development Bank.
- Ake, C. (1996) *Democracy and development in Africa*. Washington DC: The Brookings Institution.
- Altenburg, T. (2010) *Industrial Policy in Ethiopia*. Bonn; Deutsches Institut für Entwicklungspolitik.
- Amnesty International (2016) *Global Report: Death Sentences and Executions*. London: Amnesty International Ltd.
- Botswana deports professor critic* (2005) BBC. Accessible:
<http://news.bbc.co.uk/2/hi/africa/4597053.stm>
- Bell, A.D. (2015) *The China Model: Political Meritocracy and the Limits of Democracy*. Princeton NJ: Princeton University Press
- Berendsen, B., Dietz, T., Nordholt, H., Veen, R. (2013) *Asian Tigers, African Lions: Comparing the Development Performance of Southeast Asia and Africa*. Leiden: Brill.
- Beissinger, M.R. (2008) *A new look at ethnicity and democratization*. *Journal of Democracy*. Vol 19 (3). Pp. 85-97.
- Besley, T., Kudamutsu, M. (2007) *Making autocracy work*. Suntory and Toyota International Centres for Economics and Related Disciplines. London: London School of Economics and Political Science.
- Booth, D. (2013) *Policy and Governance in Africa's economic Transformation: Firm Findings and Remaining Questions*. – *Asian Tigers, African Lions. Comparing the Development Performance of Southeast Asia and Africa*. (Eds.) B., Berendsen, T., Dietz, H., Nordholt, R., Veen. Leiden: Brill. 499-514.
- Bremmer, I. (2014) *One size doesn't fit all: Democracy is not always the best form of government*. *Intelligence squared*. Accessible:
<https://www.intelligencesquared.com/events/democracy-is-not-always-the-best-form-of-government/>

- Burnside, C., Dollar, D. (2000) *Aid, Policies, and Growth*. The American Economic Review Vol. 90 (4), pp. 847-868.
- China's Foreign Aid* (2014) Information Office of the State Council. The People's Republic of China, Beijing. Accessible: http://english.gov.cn/archive/white_paper/2014/08/23/content_281474982986592.htm
- Chu, J. (2009) *Rwanda Rising: A New Model of Economic Development*. Fast Company. Accessible: <https://www.fastcompany.com/1208900/rwanda-rising-new-model-economic-development>
- Collier, P. (2001) *Ethnic diversity: An economic analysis*. Economic Policy. Vol 16 (32) Pp. 127-166.
- Cook, A., Sarkin, J. (2010) *Is Botswana the Miracle of Africa? Democracy, the Rule of Law, and Human Rights Versus Economic Development*. Transnational Law and Contemporary Problems. Vol 19(453), pp. 454:488
- CSIR (2005) Botswana national research, science, and technology plan: Final report. Republic of Botswana. Stellenbosch, South Africa: CSIR.
- Daniel, P. (1989) *Ethnic limits on blocks come as a surprise*. The Straits Times. Accessible: <http://eresources.nlb.gov.sg/newspapers/Digitised/Article/straitstimes19890217-1.2.26.12>
- Easterly, W. (2011) *Benevolent autocrats*. Working Paper nr.75. New York: NYU, NBER, BREAD. Accessible: <https://wp.nyu.edu/dri/2011/05/31/publications-benevolent-autocrats/>
- Easterly, W., Levine, R (1997) African growth tragedy: Policies and ethnic divisions. The Quarterly Journal of Economics. Vol 112 (4), pp. 1203-1250.
- Fukuyama, F. (2011) *The Origins of Political Power*. New York; Farrar, Straus and Giroux..
- Friedman, M. (1962) *Capitalism and Freedom*. University of Chicago
- Gates, B. (2012) Ethiopia: Exciting Innovations in Agriculture and Health. Gatesnotes. Accessible: <https://www.gatesnotes.com/Development/Ethiopia-Exciting-Innovations-in-Agriculture-and-Health>
- Gebreluel, G., Bedasso, B. (2018) *Managing Ethiopia's political crisis*. Al Jazeera. Accesible: <https://www.aljazeera.com/indepth/opinion/managing-ethiopia-political-crisis-180205113035729.html>
- Gelb, A., Meyer, C., Ramachandran, V., Wadhwa, D. (2017) Can Africa be a manufacturing destination? Labour costs in comparative perspective. CGD Working paper 466. Washington DC: Centre for Global Development.
- Global Innovation Index Report (2017) *The Global Innovation Index 2017: Innovation Feeding the World*. Ithaca, Fontainebleau, and Geneva: Cornell University, INSEAD, and WIPO

- Grant, R. (2010) *Paul Kagame: Rwanda's redeemer or ruthless dictator?* Telegraph. Accessible: <https://www.telegraph.co.uk/news/worldnews/africaandindianocean/rwanda/7900680/Paul-Kagame-Rwandas-redeemer-or-ruthless-dictator.html>
- Hasan, M. (2016) *Rwanda: Africa's success story or authoritarian state?* Al Jazeera. Accessible: <https://www.youtube.com/watch?v=FELiweMi4tA&t=30s>
- Hayek, A., F. (1945) The use of knowledge in society. *The American Economic Review*. Vol 35(4), pp. 519-530.
- Hu, Z., Khan, M., S. (1996) *Why is China growing so fast?* Washington DC: International Monetary Fund. Research Department.
- Ian Khama to step down as Botswana's president after farewell tour.* (2018) France24. Accessible: <http://www.france24.com/en/20180330-botswana-ian-khama-step-down-president-after-farewell-tour>
- IMF (2017) Botswana – selected issues. Country report No.17/250.
- Jager, N., Taylor, I. (2015) *Democratic Contestation in Botswana – Democratic Contestation on the Margins: Regimes in Small African Countries.* (Eds.) Metelits, C., Matti, S. London: Lexington Books. Pp. 25-49.
- Jayaram, K., et al (2017) *The closest look yet at Chinese economic engagement in Africa.* McKinsey.com. Accessible: <https://www.mckinsey.com/global-themes/middle-east-and-africa/the-closest-look-yet-at-chinese-economic-engagement-in-africa>
- Johnson, C. (1982) *MITI and the Japanese miracle: The growth of industrial policy, 1925-1975.* Stanford: Stanford University Press.
- Kabeta, Z., Sidhu, I (2016) *Service Sector: The Source of Output and Employment Growth in Ethiopia.* Academic Journal of Economic Studies. Vol. 2 (4), pp. 139–156
- Kagame, P. (2010) *'We Are Far from Exhausting Our Potential'* Der Spiegel. Accessible: <http://www.spiegel.de/international/world/interview-with-rwandan-president-paul-kagame-we-are-far-from-exhausting-our-potential-a-704894.html>
- Kelsall, T. (2013) *Business, Politics, and the State in Africa : Challenging the Orthodoxies on Growth and Transformation.* London: Zed books.
- Krueger, A. (1974) The Political Economy of the Rent-Seeking Society. *The American Economic Review*, Vol. 64 (3), pp. 291-303.
- Krueger, A., Myint, H (2016) *Economic Development.* Encyclopædia Britannica. Accessible: <https://www.britannica.com/topic/economic-development>
- Laffont, J, J. (1999) *Political economy, information and incentives.* *European Economic Review* 43, pp. 649—669

- Lewis, A., W (1954) *Economic Development with Unlimited Supplies of Labour*. The Manchester School. Volume 22(2), pp. 139-191.
- Lipset, S, M. (1959) *Some Social Requisites of Democracy: Economic Development and Political Legitimacy*. The American Political Science Review. Vol. 53(1), pp. 69-105.
- Matfess, H. (2015) *Rwanda and Ethiopia: Developmental Authoritarianism and the New Politics of African Strong Men*. African Studies Review. Vol 58, pp 181-204
- Moyo, D. (2018) *Overcoming democratic myopia*. Project Syndicate. Accesible: <https://www.project-syndicate.org/commentary/democracy-economic-policy-myopia-by-dambisa-moyo-2018-04>
- Mumbere, D. (2018) *Ethiopia's Prime Minister resigns amidst political crisis*. Africanews Accesible: <http://www.africanews.com/2018/02/15/ethiopia-s-prime-minister-hailemariam-desalegn-submits-his-resignation-letter/>
- Mushikiwabo, L. (2016) *Rwanda: Africa's success story or authoritarian state?* Al Jazeera. Accesible: <https://www.youtube.com/watch?v=FELiweMi4tA&t=30s>
- Mutebi, F. (2012) *Why being a minister in Rwanda can be a 'pure nightmare'* The East African. Accesible: <http://www.theeastafrican.co.ke/oped/comment/Why-being-a-minister-in-Rwanda-can-be-a-pure-nightmare--/434750-3125180-ddiymo/index.html>
- Mkandawire, T. (2001) *Thinking about developmental states in Africa*. Cambridge Journal of Economics, 25(3), pp. 289–314.
- Naim, M. (2009) *Rogue Aid*. Foreign Policy. Accesible : <http://foreignpolicy.com/2009/10/15/rogue-aid/>
- Neville, W. (1966) *Singapore: Ethnic diversity and its implications*. Annals of the Association of American Geographers. Vol 56(2) Pp.183-384
- Nothwehr, D. M. (2008). *That they may be one: Catholic social teaching on racism, tribalism, and xenophobia*. Maryknoll, NY: Orbis Books.
- Olson, M. (2000) *Power and Prosperity: Outgrowing Communist And Capitalist Dictatorships*. New York: Basic books.
- Ortmann, S., Thompson, M.,R (2014) *Chinese obsession with Singapore: Learning authoritarian modernity*. The Pacific Review. Vol 27(3). Pp. 433-455.
- Purcell, R., Dom, C., Ahobamuteze., G (2006) *Rwanda Country Report*. University of Birmingham: International Development Department. School of Public Policy
- Przeworski, A., and Limongi, F. (1993) *Political Regimes and Economic Growth*. Journal of Economic Perspectives (7), pp. 51-69
- Rao, V. (1984) *Democracy and Economic Development*. Studies in Comparative International Development, Vol 19(4) Pp: 67-81

- Reyntjens, F. (2015) *Rwanda: Progress or Powder Keg?* Journal of Democracy Vol 26 (3) Pp.19-33. National Endowment for Democracy. Johns Hopkins University Press.
- Reyntjens, F. (2018) “*I will also fight with you*”: *President Kagame, Rwanda’s Berater-in-Chief*. African arguments. Accessible: <http://africanarguments.org/2018/03/13/i-will-also-fight-with-you-president-kagame-rwanda-berater-in-chief/>
- Robinson, L., A. (2014) *National versus Ethnic Identification in Africa Modernization, Colonial Legacy, and the Origins of Territorial Nationalism*. World Politics Vol 66(4), pp. 709-746.
- Sen, A. (1999) *Development as freedom*. Oxford: Oxford University Press.
- Smith, D. (2013) Rwanda strikes 4G internet deal with South Korean telecoms firm. The Guardian. Accessible: <https://www.theguardian.com/world/2013/jun/11/rwanda-4g-internet-south-korea>
- Taye, B., A. (2017) Ethnic federalism and conflict in Ethiopia. African Journal of Conflict Resolution. Vol 17(2) Pp. 41-66.
- The march of democracy slows* (2016) The Economist. Accessible: <https://www.economist.com/news/middle-east-and-africa/21705355-threats-democratic-rule-africa-are-growing-time-and-demography-are> , 19 February 2018.
- The World Factbook (2017) Washington, DC: Central Intelligence Agency, 2017. <https://www.cia.gov/library/publications/the-world-factbook/index.html>
- Transcript of a press conference given by the prime minister of Singapore*. (1965) National Archive of Singapore. Accessible : <http://www.nas.gov.sg/archivesonline/data/pdfdoc/lky19650809b.pdf>
- UNDP (2016) Human Development Report – Rwanda. Accessible: http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/RWA.pdf
- UNDP (2014) *National Human Development Report - Accelerating Inclusive Growth for Sustainable Human Development in Ethiopia*. Accessible: <http://hdr.undp.org/sites/default/files/nhdr2015-ethiopia-en.pdf>
- Vansina, J. (2004) *Antecedents to Modern Rwanda: The Nyiginya Kingdom*. Madison: The University of Wisconsin Press.
- Versailles, B. (2012) *Rwanda: Performance contracts (Imhigo)*. Country learning notes. London: Budget Strengthening Initiative. Overseas Development Institute.
- Wadho, W.A., Ayaz., U. (2015) *Rent-seeking, Government Size and Economic Growth*. Lahore: Lahore School of Economics.

- Weede, E. (1996) *Political Regime Type and Variation in Economic Growth Rates*. Constitutional Political Economy. Vol 7, pp. 167-176.
- Weiwei, Z. (2012) *Meritocracy versus democracy*. The New York Times. Accessible: <https://www.nytimes.com/2012/11/10/opinion/meritocracy-versus-democracy.html>
- Zenavi, M. (2012) *States and Markets: Neoliberal Limitations and the Case for a Developmental State - Good Growth and Governance in Africa: Rethinking Development Strategies*. (Eds.) Noman, A., Botchwey, K., Stein, H., and Stiglitz, J.E. Oxford: Oxford University Pres. Pp. 1-44.
- Young, K., Loayza, N., Cuadra, C (2016) *Productivity as the Key to Economic Growth and Development*. Malaysia: World Bank Group Global Knowledge & Research Hub in Malaysia.