THE PERI-URBAN SPACE AT WORK
Micro and Small Enterprises, collective participation, and the developmental state in Ethiopia

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Growth and ‘developmental capitalism’
‘developmental capitalism’ embodies the material and ideological effort of the ‘developmental state’ at territorializing state power.

regularisation policy
collective participation
saving first
Policy of regularization to combat ‘social evils’ and engender rapid growth transformation of how the peri-urban space is conceptualized by both its users and local institutions ‘turning unemployed in businessmen’, as well as social and political control of a fast increasing urban population
Collective participation (rather than individual) and mobilization of the population in the development process

Micro and Small Enterprises organized in groups, access to credit through ‘group collaterals’
‘Saving first’ socio-economic transformation of individuals’ attitude towards saving (‘cultural change’)

‘compulsory saving’ to establish MSEs, technical and vocational trainings on the importance of saving
Territorialization of state power engenders dynamics of social, political, and economic inclusion and exclusion.

These dynamics are expressed in the fragmentation of both space and time.
Z. makes no profit with her association, why does she work for free?

access to credit through ‘group collaterals’

political networks connected to the local party branch

the role of ‘leaders’
The policy of regularization engenders contextual dynamics of **informalization**

Under the Ethiopian ‘developmental state’ social and economic marginality should be largely interpreted in terms of **political marginality**

State-induced **social differentiation** at the advantage of those closer to local able to engage in political and developmental activities as requested by the party/government structure
F.S.: ‘street vending is neither legal or illegal (…) it depends on how and where you work. (…) Selling to the cars cuing on the street is strictly illegal (…) in the sidewalk it is not legal but it is tolerated (…), outside my house it is legal’

G.S.: ‘Today things are different (…) in very crowded areas, where vending is much more remunerative, you are allowed to sell only at certain times of the day (…) After 5pm is always good as no one is really around’
The regularisation policy shapes the boundaries of the peri-urban space and constantly redefines understandings of formal and informal, legal and illegal through space and time defines whether a given activity is legal, illegal or tolerated while meant to formalize the peri-urban economy, creates contextual processes of informalization that are constituted both in space and time.
conclusions

MSEs embody both opportunities and tensions of the strategy of formalisation and legalisation of the Ethiopian developmental state.

Territorialization of state power always engenders overlapping dynamics of exclusion and inclusion that are constituted in space and time.

‘Collective participation’ stands at odds with how the policy of job creation engenders selective dynamics of state induced social stratification.