

WOULD MELES ZENAWI TRULY DEPART, AS HE HAS PROMISED, OR WOULD HE BECOME THE GREY EMINENCE OF ETHIOPIAN POLITICS?

By Genet Mersha, July 24, 2009

Part IV

“Africa doesn't need strongmen, it needs strong institutions”

--President Barack Obama

This fourth and final instalment under this title has two things in mind. In that sense, this article could be considered a two-part piece. First, is the conclusion whether Prime Minister Meles Zenawi would quit, as he has promised, and the likely direction he would tilt. The overall idea of the second part is to show in what shape he leaves the country, especially the economy. He has endeavoured to make it the main source of his legitimacy that public opinion has denied him.

In the previous three parts of the article, we examined several interpretations that emerged from the varied explanations the prime minister gave from time to time about his presumed departure. It aroused doubts about the sincerity of his intentions. This writer is in no doubt Ato Meles has played his declaration with refined skills especially in the last one year in his desperate search for public recognition of how important and indispensable he is. Why would he do that, if he were leaving? Is it an appeal to history, which often finds it difficult to change what has automatically entered into its records, especially the state of life in a nation the and texture of a regime?

The way I look at that is the whole purpose of Ato Meles's engagement with the nation on this matter, I should say with the foreign press, has been to win public acceptance of him and his leadership the foreign media providing testimonials. If the story appeared first or mostly only in the national media, which are under his control, it would have lost its credibility. In that case, the media would be seen as doing their job they are ordered to do. I must say, whatever his true intentions, he has now made me believe that it is time for him to go. I am not saying this is what Ato Meles wants, or intends to do.

On the other hand, many things are within the realm of the possible. In the event that, the prime minister holds onto his vow to leave office, I urge him to disconnect himself totally from his partisan politics. I would like him to act and behave as an ex-Ethiopian leader, willing and ready to provide counsel, only upon request. In that situation, I would be more than delighted to accept the errors of my judgment about his motive and would accord him the respect he deserves. In so doing, he would actually give a much better look to his credentials as a leader, where so far their dominant feature has been his coldness, a person who is incapable of feeling the pains of others and skilful in maximizing his advantages. Therefore, if he gets across this time, he may find a place in history for setting a unique precedent in our country in parting voluntarily. It may be small in the scheme of things, but important, though in need of a great deal of tidying up.

I should mention at this point, it is extremely disappointing that the discussion in the last few months about the prime minister leaving office had degenerated into a position of for and against one person, instead of the country's conditions, its interests and its future. It is my fear that, because of this partisan warfare, people on both sides of the debate risked missing the bigger picture, especially its constantly swelling problems and its future direction. In my opinion, that is a waste of good energy. In addition, inadvertent though, it has been harmful to the realization of the dreams of our people, a reflection of the depth of our poisoned political well from which we all drink.

It is immaterial whether Ato Meles continues as prime minister or becomes the Grey Eminence of Ethiopian politics or leaves it altogether. Many of our pains may not heal; many things cannot be undone. For far too long, our eyes have seen and our minds have been alive especially to human cruelties, the destruction of innocent lives and the disadvantages into which our country has been put. Therefore, the issue at hand must be to see how we can all pull together. I would stress, for instance, the immediacy of continued attention and resources to fighting poverty that has been making a steady rise, even at this very moment.

I would put equal emphasis on the twin problems of ethnicization of the country and the need to rein government at all times, including governance by a faction of people bound by some less honourable bond. Not only it excludes others, but it also denies the country of superb human capacities that could serve its interests best with all sincerity. That is why we need at all times to make government, whatever its ethnic, regional or political stripes, to the people. Only then would it become accountable for its actions and inactions.

My intention in this article is to sketch the current state of the nation, with especial attention on the key consequential actions and policies of Ato Meles's government, both positive and negative. The greater part of the article focuses on the economy, present achievements, problems and future prospects. The message it brings out is the Ethiopian economy, which is based on subsistence agriculture and is aiming at agriculture-led industrialization is in very serious difficulties. The country remains as vulnerable as ever to drought and famine. In its present pace of land expansion, the continued dependence our survival on such production is a risky proposition.

The 2010 election drawing closer, even the 2009/10 national budget has put agriculture in the third place in terms of priority claims on resources. Not much cause for hurting, but road construction is given its place. On top of that, foreign land-renters seem to hold spell on the government. Who knows, it may settle for that, instead of helping continually poor peasant farmers to move beyond subsistence and develop their capacities to produce their own food. It would have been a great force for economic expansion. Too late, to envision that now under the TPLF; partisan political interests have hijacked government's political, financial and moral stamina. In this connection, I must say, whatever the true intentions of the prime minister, he has now made me believe that it is time for him to go. I am not saying this is what he wants, or intends to do.

The main culprit denying the country agricultural transformation during the past two decades is lack of productivity growth. As result, agriculture to date has been the black hole to our

scarce resources and investments, which TPLF says has put in the course of eighteen years. As a result, the economic achievements of the regime to date are grossly misrepresented. The successes in higher agricultural production are a function of favourable weather and expansion of farmlands, which would be discussed in detail later. In reality, however, economic expansion has been minimal, if at all it has not stalled.

In that sense, the country is at a serious juncture in every sense, political and economic specially. To demonstrate the seriousness of the problems surrounding agricultural productivity, and the failure of Ato Meles's regime, this article has included various data, tables and explanations. Indeed that is the main reason why this article has become so lengthy. I apologize for that.

Ato Meles trips on the economy

Undoubtedly, there has been momentum for economic growth during Prime Minister Meles Zenawi's stewardship of the nation. The favourable global economic environment of the past decade-and-a-half has immensely contributed to the great achievements in many developing countries, for many of them since the mid-1990s. Although a latecomer to economic growth and national development, Ethiopia also has had a bite of it. However, its belated efforts have short-circuited, because of misguided economic policies and the political environment, which could hindered essential reforms to address the structural weaknesses of the economy as a whole, especially agriculture. At the onset of the world financial and economic turmoil, the Ethiopian economy has already been running out of steam.

Nonetheless, in spite of that the country has witnessed appreciable strides in infrastructural development into which massive investments have been thrown (whatever domestic resources available, limited overseas aid and foreign loans). Reaping their fruits has yet to take place. There is no doubt that they hold great promises for the future in increasing chances of the country's speedy development, if only the political and security situations permit.

These infrastructural development projects—roads, the many dams under construction, schools, colleges and universities, water and sanitation programmes, the promising prospects in health services, etc—are contributing to broadening the base of economic growth. Markets get closer to the people because road networks are expanding. The presence of electricity all over will provide both light and energy; it also improves possibilities for schools and, thus, betterment of education and innovations. Healthy children grow up to be healthy and productive adults.

That is the womb of reliable human capital whose experience could be tapped for much longer time and much higher goals, if only the powers make it possible politically. Thanks to China's enormously deep reserves and strategic interests in Africa, the likelihood of such grants and loans does not seem to be in any immediate risk to complete the many projects underway, despite the not too promising global financial and economic environment.

Policy side of the economic problems

Much as GDP growths speak a positive language, the dark side of that is the regime's economic policies have undercut its depth and reach. In so doing, it has posed serious problems at different times and with different consequences. Some of them have had long-term consequences and, we still live through them. The transformation of the country into a landlocked nation is another economic and developmental setback for the economy.

The sum of these and suppressed human aspirations have set numerous obstacles for sustained economic growth. First, the economic policies seem to be guided by impulse and the extremes of unrealistic ambitions that have caused serious macroeconomic problems. Induced by political goals and motives, the former less thought out and the latter out of opportunistic interests, the now and this moment often get precedence. This has affected economic goals, the actions of which out to be guided by serious deliberations, bearing in mind outlines of the five-year plan in place (Plan for Accelerated and Sustained Development to End Poverty 2005/06-2009/10, PASDEP). Such an approach would have enabled the possibility of weighing carefully immediate needs against future risks to the country.

Second, there is lack of transparency and the tendency on grabbing power. Siege mentality has prevailed in government circles. Government operational capacity is devoted to the defence of power in the hands of the regime and its existence, instead of the nation's. As a result, secrecy is the guiding principle of the regime, because of which institutions have remained weak and their work uncoordinated. This has compelled government official always to seek scapegoats, for most often they are beset by problems and difficulties, they are not free or capable of addressing them in that setting.

The double-digit inflation that has been ravaging the country for three years in a row now cannot be considered an example of carefully thought out policy measures. Indeed, it is a very serious problem, against which government on several occasions acted out of desperation and not well-founded ambition. Before all these came to pass, international advices were given, experiences have been shared, but to no avail. Government mostly attributes all its problems now to high prices of imports of especially oil, oil related products and foods. Of course, the recession has now become a good excuse. Such cover-ups and constant denials only detract the country's ability to address the root causes of its problems.

Thus, inflation has terribly flogged our economy in more ways than one. During the last few years, the economy has lost steam, as its internal capacities weakened day by day. The decline has hit hard public enterprises and small-scale mushrooming businesses. The purchasing powers of families have been destroyed. Individuals in their millions are constantly falling into the cracks of poverty both in urban and rural areas. This situation has imposed on the National Bank of Ethiopia (NBE) a series of forced devaluations of the birr for a few years now. Because of this, the birr has already lost its exchange rate value by 25.7 percent from its weighted average of 9.244 per dollar only in 2007/08. On 13 July 2009, it was devalued to birr 12.4478 per dollar. While these measures indicate the enormous difficulties in which the economy has been, the horrible side of devaluation is usually its end is never in sight, especially when the balance of payments is in severe crisis and inflation is as enormously high as it is at present.

During this season of relatively better weather and promising agricultural production, the countrywide food inflation rate stands at 44.2 percent by the end of June 2009 and non-food inflation is 23.7 percent, according to the Central Statistical Agency (CSA). For instance, in spite of the confident assertions of the prime minister at an April 15 press conference, saying inflation would go down to single digit within two or three months, the present high of 36.4 percent is still too high to plummet down. It is also less likely to do so even three more months from now, given the fast pace of oil prices that are now hovering on past the \$70 threshold per barrel. IMF is also in no better position in terms of its forecast. At the beginning of the year, it had claimed, "The latest data are consistent with staff's projection that 12-month inflation will fall to below 20 percent by mid-2009" (January 2009, Country Report 09/34). During this recession, economics has been the most humiliated science. None of its forecasts held anywhere. For now, its lack vigilance in spotting problems ahead of time has made disappoint of both the rich and the poor a common denominator.

The data used here in this article are sourced from the CSA, NBE and the Ministry of Finance and Economic Development (MOFAED), the Ministry of Health (MOH) and international organizations. In so doing, I have taken full account of IMF's recommendations to the government, "Data shortcomings continue to affect analysis of economic developments. The shortcomings were most prominent in national accounts (where statistical discrepancy was 10 percent of GDP in 2005/06), balance of payments (where errors and omissions were equivalent to 32 percent of exports in 2005/06), and fiscal accounts (where unidentified financing reached 1.6 percent of GDP in 2005/06)... In this regard, addressing the high turnover of relevant staff, defining priorities, and improving inter-agency coordination are key elements for ensuring the sustainability of statistical reform" (July 2007 Country Report 247). While I fully share the Fund's concerns, nonetheless, I have compared with relevant experiences in other countries to make balanced and better judgement in this article.

Political side of the problems

We live at a time and environment when the economy has weakened and politics hardened. The government is winding down its five-year long preparation for the 2010 election. Ethiopia is at the crossroads now. There is a lot of anger below the surface in Ethiopian society. Because of this and intent on consolidating his powers, Ato Meles knows it, he has taken too many risks. He has gambled on popular fears and patience and his own credibility. Consequently, there has been a prevalent sense of injustice, brutality and cruelty by those in power, be it at the centre or the regional level and in the lower structures. Both in connection with this and Ato Meles's presumed intentions of departure, such concerns surface easily in discussions amongst Ethiopians and foreign friends and colleagues. Where is Ethiopia headed?

In essence, this means, fear and insecurity are more real now than in the few months following the tragedy of 2005. Civil liberties and democratic rights of citizens are getting further limited by the day. Therefore, the defence of this very system Ato Meles has put in place has increased repression, nepotism, corruption and worsened urban and rural poverty. In addition, there is the continued weakening of national sentiments and human solidarity, arising from the dominance of ethnicity over Ethiopianness, even turmoil in the churches and mosques.

For instance, in a country known as an island of religious tolerance, the many repeated occurrences of religious conflicts, including the one in mid-July in Dessie, 250 km from the capital, where religious conflict claimed three lives and injured six others, strengthens those concerns. Bear in mind, this occurred in Dessie, Wollo, where the extent of religious tolerance is such that it is a region known for its very high rate of inter-faith marriages. It is even common that a single individual holds first name Christian and second name Moslem or vice versa. In a small healthy place, steeped in history and culture, incidents such as that reflect our country's vulnerabilities. In the meantime, the tendency still is to promote institutionalized domination of a single minority group over the other ethnic and language groups in the country. The government denies it has any such agenda. However, the reality of the power structures and EFFORT's control of the economy is staring at all citizens with its worst manifestations.

Clearly, Ato Meles has understood what he and his party are facing. It is not that the opposition is strong and ready to snatch the meat out of the lion's teeth, but use of force and power in general has its limits. Society may wish to shake of its burden because of the number of factors triggering its actions. In early May, the prime minister summoned courage and implicitly spoke of his concerns to *Africa Confidential* about the worrisome link between the country's economic performance and the possibilities of a peaceful election. That open concern or admission of serious challenge is the first of its kind I know from this regime.

When I read what is happening within the opposition party UDJ lately, I fear that the opposition, both at home and abroad, is in serious trouble, more to itself this time than to its opponent—the government. More time is spent on condemnation of government and mutual recriminations. For instance, have they ever asked what would be the role in the event the prime minister relinquishes and TPLF anoints whomever it chooses? Would they cooperate with the successor(s)? Or they reject any such decision outright? After all, would Meles's successor be any different? Would the opposition be content in continuing the politics of condemnation in its current shape and form, while waiting what Mr. Obama can do to firm up the roots of democracy in Ethiopia? There is need to face reality and rethink a different approach.

Would Ato Meles's successor be any more willing or freer to develop a meaningful agenda to create a better environment for genuine multiparty opposition groups to engage in political work and competition within legally defined parameters but that, as now, does not deny citizens their rights and freedoms to participate in a political activity of their choice? Would he allow citizens to decide whomever they wish to appoint as their prime minister, with all the powers, as defined by the constitution in force? It is time, to think harder, in a sober way to regain credibility, attract, and unite domestic and foreign supporters and force power to respond by allowing public space and empowering the people to assert their rights.

By its very nature, backbench politics is specialized in critiquing or judging the actions of government, especially when both sides are genuine representatives of the people. The likelihood is greater there where the honest clashes of ideas gives birth to better ideas and enable its victory. The forums also become the best preparatory schools for leadership, although individuals cannot escape the corrupting influences of hunger for power and falling

into the trap of becoming faultfinders, usually propping up their positions with the facts they manufacture. On the contrary, especially in countries such as ours, where citizens/the opposition are not free to evolve their positions, nor speak their minds and consciences, the result is that opposition politics becomes a pool of negative emotions and government power an instrument of repression. In those circumstances, society is cursed needlessly to remain in the trenches and the strongmen in palaces, if not for half a century, at least, a quarter century. There are better choices when there is some honesty, tolerance and goodwill. Our country can do better, if we all put our hearts and minds into this matter.

On the part of the government, time is long past to recognize and learn not to repeat the mistakes of the Emperor since the late 1950s and the Deruge throughout its life. Military means cannot solve all political problems. EPLF and TPLF were not crushed. TPLF still has not eliminated the OLF or the ONLF, despite massive and on-going military operations. As I mentioned in an earlier paper, if any thing it had done, it has deprived the leadership any goodwill and the country its scarce resources on armaments. So far, military means may have enabled the country to contain the worst. It is hard to imagine it can bring it lasting peace for the future.

Too many limited efforts and resources have been deployed to explore and exploit the country's natural resources, especially oil and natural gas and build hydroelectric dams. Even more are the reasons why Ethiopia needs to find without any delay peaceful solutions to its political and security problems. Only then can it use rationally and peacefully the benefits accruing from these projects. Even without such complicated problems, for developing countries oil, natural gas and precious minerals are the mother of all curses. We need not wait for that day of curse.

Therefore, it is in the best interests of our country to engage in search of peaceful solutions for all outstanding political problems, including with armed groups so long as they are willing to disarm and accept Ethiopia's unity and territorial integrity. The rest should be subject to political discussions and accommodations. The government is insisting that everyone that wants to engage in peaceful struggle first accept the constitution. As anyone can see it from experience, it has become harder even for local opposition groups throughout these years to operate freely, because the government does not respect its own constitution. Consequently, the fact that not all efforts have succeeded on the peace front does not necessarily indicate the burden is only on the side of those that are still fighting. Government's lack of seriousness on this matter has led to a firm conclusion that the multiplicity of its conditions and disruptive activities are a reflection of its desire to entrench itself in power permanently.

Ethiopian society fenced with repressive laws

Might I confess at this point that, it has always struck me as out of the ordinary that the prime minister should devote 'his' current five-year term to be fully engaged in the adoption of repressive laws and regulations. On the face of it, it is part of his preparations for the 2010 election, although it could still be instrumental toward any long-term agenda of ethnic domination. This in view, it seems to me, that Ato Meles's past decisions relating to the country's territorial integrity, the tragic aftermath of the 2005 election and present decisions

regarding the tightening of repression and the downturn in the economy have already conspired to make the decision for the prime minister.

This may make it necessary and easier for him to be 'persuaded' to stay in power. That seems the reason why the proposal to quit has come in the first place. It would enable him to justify his continued stay in power, which by the end of 2014/15 would lengthen his tenure to a quarter century. The sole purposes of the recent barrage of legislations that came out from the TPLF/EPRDF parliament speak for themselves. They aim at silencing dissent and restricting individual and organizational political initiatives. Why should a departing prime minister bother to take trouble and more blemishes to himself by choosing to leave behind an unkind legacy for history?

The anti-terrorism law

Opposition members of parliament who voted against it say, "The law itself terrorizes citizens." Deputy Secretary of State Jacob Lew has expressed the displeasure of the United States government, when he recently visited Addis Ababa. Human Rights Watch is of the view, "The law could turn political speech and peaceful protest into terrorist acts." In brief, this legislation gives the regime the right to detain and torture citizens at will. That is not to say such practices are not common occurrences already in Ethiopia. This time, however, the law has made the task of government in spreading fear much easier.

Abuse and misuse of the media & unhelpful efforts at mind control

A legislation that has empowered the TPLF regime over society is the frightening **press law**. Its unique quality is it has two blades like scissors. One side of it sharpens the pro-government private media to cut to pieces and discredit the already weak opposition and the diaspora, mostly with defamation and planted stories. The other side has been busier cutting too many independent-minded journalists; private media people with integrity, publishers included. Many such journalists have been rotting in prison; some have already perished; many have become refugees in different countries.

In addition, government security personnel continue to behave like thugs in the street physically attacking journalists. In early July an editor of *Addis Neger*, an *Amahric* language weekly, was assaulted in the street. Such phenomenon is occurring repeatedly without government lifting a finger to find out who is doing it and why. In the light of this, it is imperative that the international community focuses its attention in countries that cannot protect journalists from 'unknown/known' assailants. There is something troubling when something like this happens in a country where government claims to be legally constituted, but is unable or unwilling to respect the rule of law. One Anna Politkovskaya, a cruelly murdered Russian journalist, is one too many for the entire world. From the news sources, we understand that she had terribly rocked the boats of the powers who felt threatened by her reportage on Chechnya.

Similarly, at the heart of the problem in Ethiopia is the interest of the ruling party in tightly controlling society by controlling the media—both government and private. As *The Reporter*,

a popular Amharic weekly put it in its editorial a few weeks ago, in its present form or substance, the current press law does not have even remote resemblance to the relevant provisions of the country's constitution. On the English language *Addis Fortune* of 12 July, one observer aptly stated, *"A free press is one of the best ways to provide information to the public and comment on pertinent social issues. However, this vital institution is hindered by complex legal obstacles. Encouraged by draconian press laws that cripple intelligent and vibrant journalism, more often than not the judiciary upholds verdicts boiled down from the heat of the political temperature, pleasing the whims of the executive branch. This is one of the many sad realities that large numbers of the truly independent media community in the country acknowledge."*

The use of the flag

As recently as early July, the parliament adopted the national flag law. Certainly, keeping standard national flag is common practice for all countries. The government says that is exactly the purpose of its new legislation. Nonetheless, individuals with attachments to the plain tri-colour, the law seems to suggest, they should make frequent visits to the museum. If confidence in our government has been what our experience has taught us, we would have been less inclined to think in terms of conspiracy theories. It is granted that conspiracy theory takes more than it does give; still experience is a better witness than good faith in such matters.

In fact, both the purpose of adoption of the law and the timing is not a matter of coincidence, it seems. Who would forget one of Ato Meles's first few press conferences in 1991 where he turned society against himself and the TPLF by disparagingly dismissing the Ethiopian national flag as "a piece of cloth"? That remained stuck in the minds of citizens that he is disrespectful of the many that have fallen for it. Prime Minister Meles's concern may not be merely to define by law the national colour and the symbols on it. He may be worried about the people coming out *en masse* during the 2010 election flying the original Ethiopian flag as a sign of protest against him and his party. Therefore, he is determined to ensure that nothing should be left to chance, nor should any crafty attempts or the symbolism of open political opposition by the public against him go unhindered.

The anti-civil society law

Much has been said about this law. I know that more will be said with great stress and effects. The legislation aims at denying or restricting the activities of non-governmental organizations with interest and specialization in **human rights, democracy-related work and humanitarian issues**. The interesting aspect of this legislation is its denial of the country's reality. That is to say, Ethiopia has been constantly exposed to the humiliations of all of the three—either in the form of lack of respect for human rights or denial of democratic rights. Ethiopia has had enough of humanitarian crises, in one sense, to paraphrase Prof. Amartya Sen, as a sign of power's indifference to terrible human conditions, which makes it a symptom of the crisis of democracy.

Through this law, the government has incurred a double jeopardy, in a country constantly exposed to cyclical droughts and famines. Humanitarian work has proved a saviour more than the government is on many occasions. If the government is concerned about the credentials of

the organizations, the honourable way out would have been to strengthen its vetting system. Instead, it chose to impose blanket limitations on NGO activities in those fields.

It cannot be helped it is widely felt that the intention of the law is to show government does not want local or foreign organizations involving in the task of creating political awareness and rights consciousness amongst the population. See the statistics of how many individuals working for the Ethiopian human rights council or other civil society organizations are picked up from time to time under every pretext all these years and sent to prison. Here it comes again, on 21 July government has revoked the licenses of 42 NGOs, accusing of them involvement in activities that are "out of their mandate" in the southern part of the country. We all understand that, by definition "out of their mandate" is interpreted as meaning involvement in human rights and democracy related activities, unless it comes and convinces us that they are Martian spies.

Would President Obama's diplomacy take its cues from his speech and help honour his commitments to Africa?

President Obama pledged from Accra that his administration and the West are ready to help African countries in critical areas in improving their lives. It is understood that he is reflecting part of the consensus among the G-8 members in Rome recently. His administration's mission, he said, would no longer be mere doling out of aid. The United States, in a sense also with the rest of the western world, he underlined would seek serious partnership. Here is how he put it,

"The true sign of success is whether we [the West] are a source of aid that helps people scrape by—it is whether we are partners in building capacity for this transformational change. This mutual responsibility must be the foundation of our partnership...First, we must support strong and sustainable democratic governments."

The president had the right message; he delivered it in a serious tone and balanced manner, from which everyone got promises on something, especially on 'democracy, opportunity, health, and the peaceful resolution of conflict.' My sense is that the masses of the people are overjoyed genuinely and expectations are heightened. The fear is some tyrants would also step up to claim credit. The illusion is that they have called their system democratic so far, even when they have kept thousands of political prisoners and muzzled the media. They may point to the progresses that are made in the economic field, thanks to the global commodity markets and cheap finance of the past fifteen years. However, they cannot come up with clear evidence that widespread fear that has been imposed on society is a sign of peace or stability. Nor could they show how suppressed human aspirations cannot clog better economic growth possibilities and enhanced opportunities for the future, while it has happened in Ethiopia.

Just because of that, I regret the president did not have the time and opportunity to discuss with civil society organizations from troubled countries *in a secure way*. It sounds luxurious, does it not? No need to include the Ghanaians in this—God bless their soul, they have seen the light. Those from other countries such as Ethiopia and some others would have exactly told the president the importance of the four points he outlined in his speech before even they heard him. Perhaps some might have wanted more emphasis on the rule of law as a basis to govern future African American relations.

In this connection I must say, if the US president were to see the success of his policies in Africa, it is time that he should be aware of the worries of Africans with regard to US policies in Africa as well. Salim Lone, a respected Kenyan media personality and former United Nations official, has captured the essence of those concerns. They appeared in his 10 July article on the *Guardian* under the title *What Obama can do for Africa*, an excerpt of which reads:

One thing he [President Obama] would consistently hear from our civil society leaders would be that good governance – democracy, inclusion, respect for human rights and the rule of law – is non-negotiable. He would also hear that some of the significant gains made in expanding freedoms in multi-party Africa are being rolled back. This is not surprising, as the strategy of the US war on terror reverted to the cold war model of supporting dictatorial allies, which in east Africa included the Ethiopian and Ugandan leaderships.

That article is deserving of the president’s attention and time. Mr. Lone has put on paper the stark truth. His assertion has spoken to my heart, my intellect and my folks’ experiences.

CLOGGED ECONOMIC GROWTH THREATENS FUTURE POSSIBILITES

The international community has been praising the level of gross domestic product (GDP) growth Ethiopia has registered in the past few years. There is no doubt that, especially for a country that is producing neither much-sought-after minerals nor oil, specialized services or industrial outputs, by any measure its high GDP growth represents great achievements, unparalleled in the country’s past.

The question is how one can reconcile the uninterrupted six years of GDP growth (Table 1) with the worsening economic situation in which our country finds itself today. At this moment, the ability of the Ethiopian government to make the economy work is severely constrained. Official explanations admit to that, but with their own spin, without looking inwards and only by attributing blame to the global recession or the cyclical drought. This paper looks at Ethiopia’s economic problems differently.

Table 1

PERCENTAGE OF GDP GROWTH 2000-2010 <i>(in percentages)</i>										
Year	00/01	01/02	02/03	03/04	04/05	5/06	06/07	07/08	08/09	09/10
Growth	7.4	1.6	(2.1)	11.7	12.6	11.5	11.5	11.6*	6.5**	7.0***

Source: MOFAED *The 2008/2009 is Ethiopia’s original estimate and lately revised data. *IMF projection
 **IMF revised estimate

In the light of these figures, therefore, it may sound strange to say that the Ethiopian economy weakened long before the onset of the global financial and economic meltdown. This paper insists that indeed is the case. For the greater part, all that the current global financial and economic crises have done is exacerbating the economy’s structural and policy problems. One thing this tells is that no adequate policy measures have gone into improving and vitalizing the weak domestic production structures and the sagging export capacities.

Otherwise, the negative consequences of the huge appetite for higher expenditures that the country has displayed since 2005 could have been accommodated partly were they supported by domestic production, increased volumes in exports and higher revenues from exports. In brief, the structural constraints on the supply side of the economy are still intact. Even in normal years, the trend has been export revenues falling behind private transfers and overseas aid, excluding humanitarian assistance.

Good weather years and bumper crops, higher commodity prices have made government feel good and encouraged it to spend public money without restraint. Demand shot up. Imports quadrupled. What the government has sacrificed is macroeconomic sanity, to borrow Prof. Susan Collins' phrase (*Lessons from Korean Economic Growth*). What sane macroeconomic policy does, among others, is ensuring GDP growth, price stability, employment growth, expansion of the economy and opportunities for all citizens. It would also seek ways of enabling members of society attain fair income distribution, while investing in the future.

In Ethiopia's situation, this unrestrained use of public resources has bred double-digit inflation that has hurt the country for three years running. Therefore, what started the country on this road is its weak production capacity, dependence on rain-fed agriculture, the rising revenue from agriculture and the other sectors combined giving rise to unsustainable demand for imports of goods. This has conspired with imported inflation to exacerbate the economy problems. In a short few years, despite rising exports, the levy in the country's usually weak foreign reserve situation gave in.

The government suddenly woke up, as if hit by lightning. Out of desperation, it began to use illegal means, as is the case with coffee exporters and the mistreatments seen in the recent vigorous tax revenue collection efforts. Coffee exports had declined in 2004/05. Government did not attack exporters then, because it was not as desperate in its foreign exchange needs. Why does government have to wait for difficult circumstances to be its guide to take policy measure that, as a government, it ought to do as a habit? The truth is that these very problems have been there in the economy in the making for a long time. What the recession found is an economy badly flogged and on its way to the intensive care unit. The result is that Ethiopia finds itself now in the worst macroeconomic dislocations, the correction of which, in this fragile political and economic environment, invites harder times and many difficulties for the country.

Illustrative examples

In the past few years, we recall how many times the country has fallen short of its export targets, long before the latest market squeeze and the recession began. For a number of years, NBE has reported the shortfall on the production side in its quarterly and annual bulletins. Similarly, for instance, MOFAED in its 2004/05 Macroeconomic Developments in Ethiopia report indicated: "coffee, pulses, and fruits and vegetables have showed decreased performance of 8.3, 9.2, and 8.2 percent, respectively, compared with the preceding fiscal year [2003/04] whereas oilseeds, meat and meat products and live animals have witnessed increased performance." These decline in volume of exports are nothing new. Their pain was

no felt that much earlier, because transfer from the diaspora was much higher, as was foreign aid and credits. This time, the economy is almost shutting down the tap.

In the same manner, at a time when the prices of oilseeds were picking up in 2007/08, production fell down by 35.3 percent. However, because of improved prices Ethiopia earned \$218.8 million, compared to \$187.4 million in another failed year of 2005/06. These vicissitudes in production are a typical feature of the Ethiopian production structure. The only product that lately enjoyed better support is the horticultural industry. In its case, it has become a real casualty of the global recession. The main reason for that is it is new and handled in a modern way; it had a good start; production increased astronomically in successive years, despite difficulties domestically relating to transports, freight costs and later capital for expansion.

The situation in 2009 is, therefore, a combination of weaknesses and inconsistencies on the production and export sides on one hand and market contraction at a later stage on the other, at a time when the country. Clearly, from 2005-2008 Ethiopia had not reaped the benefits of higher prices for exports because of the problems already discussed. The result is the economy was denied a leg up in terms of foreign exchange earnings and import items essential for development, the consequence of which has stalled economic expansion, which Table 2 shows clearly. At this very moment, double-digit economic growth has become a meaningless slogan for many families and businesses.

This is not to deny or belittle the country's achievements to date, but to register the fact that, instead of increases in assets, inflation has effectively destroyed a number of them, in the form of businesses, as can be seen from the growing number of companies going bankrupt and seized by banks. In the same manner, poverty is on the rise, as is hunger and homelessness, threatening severely millions of citizens. The number of those begging in the streets is rising. In his right mind, no one could attach any link between that and the country's high GDP growth figures. In spite of the many efforts the country has made, these are only the outer manifestations of worsening poverty in the country.

Consequences of the failure on a mini-scale

By the end of May 2009, Trade and Industry Minister Girma Biru reported to parliament that Ethiopia would face a shortfall of close to a billion dollars in 2009, out of its targeted \$2.5 billion in export revenues. This represents a loss of revenue of about 42.0 percent. At the same time, international transfers, both private and public, have significantly declined, at a time when there still are immense needs in the country for items such as fuel, food imports, materials and chemicals for industries, agriculture (fertilizers), and other payments including debt service. The Djibouti port, Ethiopia's only gateway for its commerce with the rest of the world, requires close to a billion dollars in annual fees.

During the fiscal year just out, Ethiopia's outstanding external debt was \$2.8 billion. The breakdown is \$1.5 billion for multilateral organizations, \$953 million for bilateral sources, \$276 million for commercial banks. The quarterly debt servicing is \$339.4 million, after debt relief, out of which the principal was \$158.5 million, interest \$173 million and commission \$7.9 million, according to the MOFAED. After May 2008, Ethiopia was almost staring on the

face of default, possibly the danger of bankruptcy, from a close range. Government bills have to be paid in foreign currencies. Otherwise, the country would not be able to import anything or honour its international contractual obligations, including the servicing of short and long-term debts the country has accumulated. At the beginning of January, the country had an international reserve of \$906 million, or six weeks equivalent of its requirements, according to IMF financial indicators. Immediately, the country started rationing of foreign currency to prioritize imports, which hit businesses of all categories hard.

Like any developing country, Ethiopia has always been short of foreign exchange for various reasons. In some good years, the reserves had built better to meet four to five import months of requirements, though not in a long, long time now. In the years since GDP growth jumped, the reserve on average was sufficient only for three import months maximum. However, since 2005/06 it has been going down year after year. For instance, in 2007/08 it reached the critical 1.2 months, although projection has put the 2008/09 figure at 1.8 months, which seems to be less likely to be revised after the recession had deepened in many of the European countries, Ethiopia's primary export destinations. One way this could be avoided artificially by sitting on its receipts of international currencies, as was the case when reserves jumped to six months level early on. This means to starve oneself to death to be slim.

In Ethiopia's recent history, a similar distress occurred toward the last years of the Mengistu regime, where GDP growth in such scale was ever unthinkable, although Ethiopia's records in honouring its obligation have always been respectable. Those familiar with activities of the NBE during the Dergue time say that a loan of 10 million dollars came from Algeria, after a national delegation was sent to solicit comradely help. In addition, Italy made available a letter of credit worth \$25 million dollars for purchase of goods and services. That lifeline bailed out socialist Ethiopia from total collapse. This time, the situation has a serious twist. As the cliché has it, things would only get worse before they get better, because the problem has its origin in policy and are structural in nature, all at the same time at the unkindest of times.

In spring 2008, the IMF had looked into Ethiopia's debt sustainability. At the time, the country's debts were estimated to claim 5.0 percent of GDP or over 50.0 percent of export revenues. The Fund's signal of discomfort was evident, when export revenues continued to fail to achieve target, although debt has been rising ever since. In the Fund's revised figures, public debt stands at 35.9 percent of GDP in 2007/08. The 2009/10 debt level is forecasted to be 31.7 percent, of which the breakdown is 14.1 percent domestic and 17.6 percent external. The interesting thing here is how the data for both debts reversed for 2009/10, though both rising. Earlier external debt was 14.5 percent and domestic debt 17.0 percent. Recall at this point the fast-tracked release of \$50 million dollars to ameliorate the foreign exchange crunch. It came with IMF warning that, "...the balance of payments situation is likely to remain difficult in the coming year." In 2007/08, it was negative balance of \$174 million. The outstanding domestic debt by December for the period was birr 53.1 billion.

Officials go foreign exchange fishing

To avoid a nasty situation, government started rationing foreign exchange, which put NBE in the eye of the storm, with the campaign against it by businesses growing louder, including by commercial banks. Meanwhile, officials have been on wings since January 2009, canvassing

sources of more loans, grants and aid amongst EU and OECD countries, China, India, some Middle East countries and Turkey at a bilateral level and from multilateral financial institutions.

Already in January, the EU granted 322 million dollars to boost development projects. In mid-May, the country signed \$400 million credit from the Chinese. Again, at almost the same time, the World Bank (IDA) approved \$540 million for the protection of basic services (PBS). Moreover, \$845 million has been on the pipeline (\$475 million through the World Bank, \$30 million for agriculture, \$200 million to improve the education sector, \$245 million for the roads sector) and another \$400 million from the IMF, as a part of the G-20 rescue plan. In addition, \$380 million has been provided on a bilateral basis from BADEA, Finland, Italy, and Japan for different projects. Lately, the African Development Bank also has released \$326.5 million to finance the road link between Addis Ababa and Mombassa. On 21st July, Kuwait has become the latest addition on the list of donors, providing \$65 million for expansion of electricity in Tigray. The list continues. Nonetheless, this does not mean that Ethiopia is out of the woods.

What led the country into a tight foreign exchange corner?

The immediate answer would be what this paper already mentioned earlier i.e., decline in production, inadequate export capacity leading to foreign exchange shortage and the recession finally squeezing Ethiopia out of the market. The question is why does this happen? Where did Ethiopia go wrong?

What Table 1, above, does not show is a full picture of the performance of the different sectors of the economy. Such is the nature of overall GDP figures. A better picture emerges only when one is able to see the inter-relations between the different sectors, meaning, agriculture, industry and services. This enables one to follow economic activities in general, including the possibility of getting a sense of where the problem lies. That in mind, Table 2 is inserted here to show the scale of the industrial and services sectors relative to agriculture.

Table 2

GDP BY INDUSTRIAL CLASSIFICATION (AT CONSTANT BASIC PRICES)												
<i>(in percentages)</i>												
Sector*	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09
Agricult	52.1	51.2	49.9	50.9	49.1	44.9	47.0	47.4	47.1	46.3	44.6	42.5
Industry**	12.4	12.4	12.4	12.1	12.9	14.0	14.0	13.4	13.4	13.3	13.1	13.1
Services	36.2	37.2	38.7	38.0	38.6	41.7	39.7	40.4	40.4	41.4	43.4	45.8

Source: Ministry of Finance and Economic Development (Ethiopia)

* GDP total may exceed 100.0% by 1.0 or less than 1.0 percent due to financial intermediation services FISIM. Defined officially, it is "a productive activity in which an institutional unit incurs liabilities on its own account for the purpose of acquiring financial assets by engaging in financial transactions on the market", attributable to bank services.

The industrial sector

In nearly twenty years of TPLF rule, the shares of industry and services in GDP have not bitten anything out of agriculture's dominance. In a period of twelve years, i.e., from 1997/98 to 2008/09, industry grew by a negligible 0.7 percent, as shown in table 2, above. In fact, since 2005, there has been a trend decline from the high of 14.0 percent down to where it is now. Included in the industrial sector are mining and quarrying, manufacturing, electricity and power and construction. Manufacturing is more important because of its broad based reach and facilitation of the transformation of the structure of agriculture itself when its expansion is supported by deliberate policy measures. The available evidence indicates that, it is hardly given sufficient policy attention and the necessary technical support.

Overall, industrial plants have been operating for several years, even before the current power outages for most of the time, at an average of 55.7 percent capacity, according to MOFAED's Manufacturing Industries Businesses Survey. The problems have been known for some time, because these surveys have been carried out for a number of years now.

More importantly, though the manufacturing sector comprises 910 enterprises in the country, 94.7 percent of their income in 2007/08 came from servicing the local market. Their products include such items as fabricated metals, basic iron, steel, foods, paper and paper products. They figure poorly in export capacity, with 5.3 percent of their income in 2007/08 coming from export revenues of leather and leather products (MOFAED Macroeconomic development for 2007/08).

The services sector

Over the twelve-year period, the services sector has registered an average growth of 4.1 percent, as can be captured from Table 2. Its components include distribution of goods and services, banking and insurance, real estate and ownership, education, health, private households with employed persons (domestic labour), and public administration and defence. On average, the performance of several sub-sectors has shown improvement from time to time, though the jump not that great. This article would single out the health sector and education because of their importance, in the light of the great achievements and the number of problems encountered.

In Ethiopia, both the industrial and services sectors complain about everything. Chief among these are lack of capital, foreign exchange, lack of raw materials or quality problems, lack of markets, electricity and water supply, and a number of other aggregated basic developmental problems, including policy and institutional, although direct reference to policy for obvious reasons is glossed over. Not that the past years were easier for the industrial and services sector, especially 2009 has gotten more difficult because of the monetary policy decisions the government has taken that has made access to capital increasingly difficult.

Whereas agriculture is the source of employment for the bulk of the population in almost all developing countries, as time passes, the lack of productivity constantly generates unemployed and underemployed people in the rural areas. The success of any policy, therefore, among other things, is measured in its strengthening of the manufacturing sector as

source of employment for the surplus labour. Historically, studies have shown that such success comes through the manufacturing sector. In learning from the experiences of South Korea and Taiwan, which used the manufacturing sector as a stepping-stone to industrialization, Ethiopia could have done itself a great deal of favour.

The needs of the industrial and services sector

Studies show that one of the most critical factors for both industrial development and the expansion of the services sector is the transformation of agriculture and increases in productivity growth. In a simple term, it means increases in volume of crops per hectare. That opens up possibilities for farmers to make savings, use their resources to initiate locally essential processing. That could grow in time into manufacturing leading to industrialization and the expansion of markets.

That helps to raise the share of the industrial and services sectors over time in gross domestic production. What is needed in Ethiopia now is for the government to change its political game, if it is interested in a better future for Ethiopia. It needs to get out of its trenches and begin to seek serious collaboration with all educated Ethiopians, foreign experts and institutions to improve agricultural productivity. That is the only path for the improvement of agricultural growth, expansion of industry and the services sector. That is when the country's success in eradicating poverty would be marked and celebrated. That leads to fostering a middle class that further hastens economic growth and meaningful national development. Moreover, that middle class would contribute to reigning government and its authoritarianism.

To underscore the importance of this, I would refer to a paper by Prof. Inchul Kim of South Korea, who has brilliantly outlined the Korean experience along its relatively shorter distance of a few decades to impressive national development. He writes that for South Korea one of the important measures was to ensure the success of its plans by setting up specialist groups, especially in the fields of economics, sociology, demography and statistics. Some of the individuals in these groups were recruited from internationally renowned universities and organizations. They worked on fixed-term appointments and left when they accomplished the missions they are called for (*Korea's Growth Planning and Statistical Credibility*, School of Economics Sung Kyun Kwan University). Instead, what has become important for government is first to send TPLF agents to spy and find out the profile of the individual professional whether she/he is open to accepting the politics and policies of the government. This has not gotten the country far, nor would it get it anywhere in twenty years!

Agriculture-led industrialization flops

As shown in Table 2, the bulk of Ethiopia's growth comes from agriculture. Farm work in Ethiopia is largely dominated by smallholder producers, currently estimated at 13.3 million households, according to CSA's 2008 Abstract. Unless Ethiopia succeeds in transforming its agricultural production, no matter what GDP figures show, the country would not easily move out of poverty. In terms of policy, government shows good understanding of the problem. However, its inconsistencies and implementation methods are far apart from its objectives.

Admittedly, even with everything in place—policy, institutional, financial, technical and technological, etc—agricultural transformation and its growth constitute an incredibly difficult challenge. Why did the Soviet Union, a superpower, fell behind in agricultural production, despite massive number of tractors, combine harvesters, fertilizers and soviet communal labour? It used to import wheat from the US and Argentina, even during the Cold War. In spite of enormous efforts in these two decades, the government in Ethiopia has failed to see signs of improvements in agricultural productivity.

Therefore, when one sees the attitude of the government, the impression one gets is that government is content with the growth of agricultural production from expansion of farmlands. It is extremely troubling. In fact, in 2007/08, agricultural land expanded by 1.03 million hectares, compared to the 495,203 hectares in 2006/07. These figures do not include commercial farms. The question is whatever happened to improvements in agricultural technology? The three tables below are provided to enable the reader to answer the question by himself/herself, comparing the data for three fiscal years.

The question of land tenure system has been discussed extensively. There have been opinions of experts on both sides of the divide. In the Ethiopian reality, the peasant farmers are more controlled than workers in urban areas or other members of the society are. The TPLF has had a number of control measures over the peasantry through control of rural farmers' organizations, out of which it intends to evolve an agrarian party, as the prime minister implied in his 2006 writing entitled *Africa: Dead Ends and New Beginnings*. The sanctions to disloyal peasants are very stiff; they constantly live under the threat of losing their holdings or imprisonment, if they did not show their loyalty in every way possible. For the government, peasants are its secure political base, with over four million peasant members in the ruling party.

For reasons that have not convinced experts or those who doubt the political motives of the regime, the TPLF is stuck with keeping land under government control. We have not seen this helping agricultural productivity growth or enhancing agricultural production.

Prof. Dessalegn Rahmato, a respected Ethiopian scholar and expert on land tenure advocates the middle of the way in terms of addressing this problem. His view is land should not be privatized at all, which I share, nor should it be owned by the state. Here is his idea, excerpted from his 13 August 2003 interview with IRIN,

“Q: Is land tenure the most pressing issue in Ethiopia?”

A. Yes because this country, being a very poor country, the main resource we have is land and unless we can use it efficiently and care for it, which only security of tenure can bring about, you are going to face crisis after crisis in the coming years.

Q: Do you think privatisation is the answer?”

A: I have not fully supported privatisation. I see dangers in it. I think there are arrangements that should be explored that could improve security. I have argued in favour of a system I call associated ownership, which is a combination of freehold and community responsibility. It is freehold in the sense that the individual user has the right to dispose of the land if he or she wishes to do so. Full rights over the land. But the community should also have some say so that if interests that may be hostile to the interests of the community, want to take it over, the community should have a say. The first choice of sale should be given to the community so that the land is kept within the community.”

The fact remains that Ethiopian agricultural practices are not employing adequate modern technologies, especially of improved seeds, which from 2005-2008 period have shown decline, even from the negligible at 5.32 percent that it was in 2005/06. Similarly, irrigation use is extremely low, so far not exceeding 1.2 percent. In brief, government claims that agricultural productivity has been realized is not borne out even by its own data, as shown by Tables 3, 4 and 5.

Table 3

Use of improved seed, irrigation, pesticide and fertilizers in 2005/06					
Crops	Crop area /ha	Improved seeds (%)	Irrigation (ha), mill	Fertilizer (%)	Pesticide (%)
Cereals	8,801,401	5.32	0.91	51.22	18.77
Oilseeds	797,341	0.01	0.11	0.97	0.11
Pulses	1,292,170	0.06	0.05	0.31	0.31
Total area	10,890,912				

Table 4

Use of improved seed, irrigation, pesticide and fertilizers in 2006/07					
Crops	Crop area /ha	Improved seeds (%)	Irrigation (ha), mill	Fertilizer (%)	Pesticide (%)
Cereals	8,463,080	3.96	0.84	51.77	19.75
Oilseeds	740,847	0.55	0.13	10.29	0.93
Pulses	1,378,939	0.36	0.47	19.94	2.04
Total area	10,582,866				

Table 5

Use of improved seed, irrigation, pesticide and fertilizers in 2007/08					
Crops*	Crop area /ha	Improved seeds (%)	Irrigation (ha), mill	Fertilizer (%)	Pesticide (%)
Cereals	8,730,001	4.73	1.12	51.40	20.75
Oilseeds	707,059	0.32	0.24	12.24	1.55
Pulses	1,517,662	0.42	0.64	20.06	2.55
Total area	10,954,722				

Source: Central Statistical Agency (Ethiopia) *The writer's compilation of crops leaves out vegetables, permanent crops, root crops. The total crop area data differs from the other tables.

Farm size, family size & rural poverty

Tables 6, 7 and 8 provide useful information on the state and number of landholders, areas under crop by year and the volume of production. Important information they provide is about the state of asset ownership in rural Ethiopia.

Table 6

2005/06 agricultural landholding & main season production (hectare)								
	Under 0.10	0.10 -0.50	0.51-1.00	1.01-2.00	2.01-5.0	5.01-10	Above 10	Total
Agricultural holders	685,395	2,907,556	2,935,849	3,231,692	1,925,972	142,227	14,247	11,842,937
Cumulative % of holders	5.79	30.34	55.13	82.42	98.68	99.88	100.00	100.00
Total crop area	22,810	714,182	1,788,609	3,788,609	4,322,828	558,703	106,874	11,292,572
Av. Crop area per holder	0.05	0.30	0.73	1.42	2.87	6.16	13.38	1.20

Table 7

2006/07 agricultural landholding & main season production (hectare)								
	Under 0.10	0.10 -0.50	0.51-1.00	1.01-2.00	2.01-5.0	5.01-10	Above 10	Total
Agricultural holders	500,182	2,838,516	2,934,538	3,270,784	2,015,152	159,760	13,602	11,732,535
Cumulative % of holders	4.36	28.46	53.47	81.35	98.88	99.88	100.00	100.00
Total crop area	23,536	730,175	1,813,103	3,905,372	4,527,981	691,946	95,663	11,787,775
Av. Crop area per holder	0.05	0.30	0.74	1.43	2.84	6.23	13.30	1.21

Table 8

2007/08 agricultural landholding & main season production (hectare)								
	Under 0.10	0.10 -0.50	0.51-1.00	1.01-2.00	2.01-5.0	5.01-10	Above 10	Total
Agricultural holders	656,405	3,491,135	3,359,449	3,523,543	2,052,214	161,784	10,311	13,254,840
Cumulative % of holders	4.95	31.29	56.64	83.22	98.70	99.92	100.0	100.0
Total crop area	28,317	851,372	2,016,821	4,090,904	4,605,566	704,747	84,707	12,824,434
Av. Crop area per holder	0.04	0.24	0.60	1.16	2.24	4.36	8.22	0.93

Source: Extracted from Ethiopian Statistical Abstract 2008 (Tables D.8; D.9; D.10)

In 2007/08, 83.2 percent of farmers (11.03 million) owned from 0.1 to 2.0 hectares. Three-and-a-half million farmers owned between 1.0 and 2.0 hectares. The number of those owning from 5.0 hectares and above is 16.8 percent, while only 1.3 percent owned from 5.0 hectares

and above. However, one expression of poverty is the size of land held by a household relative to family size. For instance, 26.5 percent of landholders have six to nine family members and are in the group of those that own between 1.01 and 2.0 hectares. In the previous year, this group constituted 27.5 percent of landholders. The most significant increase in family size is observed in those in the group holding 0.1 to 0.5 hectares (CSA Abstract 2008, Tables D.15 and D.16).

Why am I raising this? We need to retrace the steps of trailblazers like South Korea to see the importance of what a sense of ownership and security could do to the farmers and the country. Writing about South Korea, Prof Irma Adelman of Berkley and a major economic adviser to the government of South Korea in its Second Five Year Plan, says,

“On the plus side, the country was one of the most ethnically homogeneous in the world. Values were communitarian and egalitarian, and accorded educated individuals the highest social status. The distribution of assets was extremely even, due to two waves of land reform in which holdings exceeding 3 acres (!) were redistributed to previous tenant-farmers, and due also to the destruction of other capital assets caused by the wars. And the distribution of income was very even— one of the most even in the world. The level of social capital was extremely high”

Bank reserves rising, private lacking access to capital, 2010 budget comes with big holes

The just approved 2010 national budget shows a great dilemma of the government because of the choices it has to make. A national budget is one of the best indicators of a government’s objectives and the directions of change it favours in the country. The shift in this budget has pushed agriculture, for instance, from number one position since 2001 to number three. This is partly a reflection of government’s intention, perhaps frustration as well, in agricultural productivity, much as it is its desire to deploy resources where maximum and visible impact is attainable within a short time. Nevertheless, the difference between agriculture and defence is only 3.3 percentage points.

The total budget has increased by 18.9 percent. Estimated total federal government revenue is birr, 39.5 billion. Priority areas of the budget have been defined under nine categories, with higher levels of appropriations allocated, according to government priorities allowing them to claim resources accordingly, as shown in Table 9. The level of the approved budget is birr 64.5 billion. Of this, birr 14.5 billion is for recurrent expenditures, i.e., general administration and all support services relating to economic activities. Birr 29.1 billion is for capital expenditures, which in a nutshell is capital outlays for special programmes mostly in the priority sectors. Birr 20.9 billion is for the regional states.

The budget was already approved with birr 10.4 billion hole in it. The government’s intention is to finance this through domestic borrowing of birr 6.4 billion, project-financing credits of birr 3.9 billion and through debt relief of birr 118.8 million. Is the government’s position tenable? We would explore that in a moment. We need first to see where the money comes from to finance all the above-mentioned activities? Table 10 provides the answers for that.

Table 9

No.	Main expenditure categories	Amount	%
1	Roads	11,292.2	25.9
2	Education & capacity building	8,339.5	19.1
3	Agriculture	5,443.0	12.5
4	Defence	4,000.0	9.2
5	Debt servicing	3,255.9	7.5
6	Health	2,069.6	4.8
7	Water	2,448.8	5.6
8	Rural electrification	1,000.0	2.3
9	Others	5,726.5	13.1
Total		43,575.5	100.

Data source: MOFAED2002 Budget, Economic And Revenue Analysis volume I (Amharic)

Table 10

Sources of funding of the 2010 budget (in millions of birr)		
1	Direct & indirect tax revenues, incomes	39,481.0
2	Capital income	230.4
3	Multilateral aid.	5,348.1
4	bilateral aid	1,530.8
5	International support for basic services	7,141.0
6	Woreda level investment aid	413.6
Total domestic resources, foreign aid and loans		54,144.9

Data: Source: MOFAED2002 Budget, Economic And Revenue Analysis volume I (Amharic)

If past budget performances of the government are of any value or relevance to this, actual shortfalls in the past have often been much higher than the government admits. In other words, shortfalls are underestimated. As far as this budget is concerned, it would not be any different from the past, with a few exceptions. First, due to the weaknesses in the economy it is less likely to collect as much revenue in taxes. However, since the government has deployed rigorous efforts this time in tax collection, it is very likely it may be closer to its goals. In terms of experience, in 2007/08 its domestic revenue target was short by birr 5.0 billion or 14.7 percent. Foreign aid and credit anticipated in the budget in 2007/08 fell short by birr 5.7 billion or 20.0 percent.

What is interesting here is that the government's budget utilization rate is estimated at 88.0 percent. At the same time, the office of the auditor general has continued complaints about over-expenditure problems, under expenditures of allocated share of budgets and problems of untraceable resources, which on repeated occasions the prime minister has snapped and dismissed the reports the work of 'junior accountants.' What would one expect if the head of government shows direct and indirect sympathy to violations of financial accountability regulations.

In the current budget, there seem to be a couple of points of serious concern. First, the level of inflation in the country remains very high. As mentioned above, inflation is the worst enemy that wantonly destroys assets of the both the poor and the rich alike. Government has hinted confidence in controlling it. In the name of fighting inflation, the government has tightened money supply. Not only banks are restricted by the rising bank reserve level from 15 percent at the beginning of the year to 25 percent, but also the ‘gentleman’s agreement’ the NBE reached with individual banks to be restrictive with bank credits. The economy being mostly in government hands with its several public enterprises, it is clear that they would always be the first to get access to capital. However, this tightening of access to small businesses would force many into closing shops. Such measures have also opened up possibilities for corruption and nepotism. Those with good political connections are getting a backdoor access to capital.

On the other hand, the rising level of bank reserves means, there is ample money sitting in the banks idle, which this government resents. If it were not for IMF surveillance, chances are that the lapse could have been greater toward overspending. It is still a great danger. The view of the Ethiopian government on this matter, according to the IMF is, “They [authorities] see excess reserves of commercial banks as “savings” which can, and should, be mobilized in support of public infrastructure development.” This view is also consistent with Ato Meles’s personal conviction, as indicated in, *‘African Development: Dead Woods and New Beginnings’*, wherein he makes similar claim. That has only led the country into one of the highest inflation levels in recent experience, excluding Zimbabwe.

The invisible infrastructures, education & the health sectors in the scheme of things

At some point in the beginning, this paper promised that there would be some thoughts on the education and the health sectors. If there should be any significant regret for Ethiopia, it is the fact that how many first-rate medical professionals and engineers the country has lost over the last few decades. Therefore, like a newly emerging country, today the health sector is being restarted from the scratch, with hundreds of locally trained physicians, medical officers and technicians now beginning to fill the gaps.

While not something to be content with, given the enormous needs, the number of hospitals in the country has increased from 138 in 2005/06 to 149 in 2007/08, according to the Ministry of Health. The paucity is already clear there that one hospital is servicing an estimated 5.6 million people. At the same time, the number of health centres with beds has grown from 1,206 to 1,517. For reasons not clear, at least, to me the number of beds during this time has dropped by 9.4 percent.

The data from both CSA and MOH indicate that the state of health of the nation is moving in a slow but hopeful direction. For instance, in 2007/8 fiscal year 8.6 million children were given vaccinations for tuberculosis, measles, polio and D.P.T doses—diphtheria, pertussis and tetanus. During the number of children born in medical facilities reached close to six hundred thousand, whereas the number of maternal and babies death is terribly, terribly under reported.

From family planning services, 13 million women have received birth control treatment, while about thirty thousand men have opted sterilization, the number of men who used condom during the period is less than a million, as could be seen from data on condom distribution.

The efforts undertaken in capacity building in the health sector are shown in Table 11, below. The point here is not the importance of how many medical personnel are trained, but whether the country is capable of retaining them. If the government could provide them with retaining opportunities, ensure their sense of security, job satisfaction and professional independence, current efforts may give chance to a good start in the health sector. It should be emphasized that, however, there is great need to ensuring overall conditions; remunerations and that they get professional satisfaction to stay and serve the people. This includes improvements in the rule of law that at this very moment is closer to non-existence.

Table 11

	NUMBER OF HEALTH PERSONNEL TRAINED IN ETHIOPIA					
x-ray tech	Doctors	Health officers	Pharmacists	Nurses*	Lab. techs	x-ray technicians
97/98	207	49	17	20	-	-
98/99	136	79	34	1,416	283	29
99/00	152	157	31	1,399	311	10
00/01	128	181	54	2,164	463	19
01/02	152	183	13	1,433	271	-
02/03**	152	183	13	1,433	271	-
03/04**	332	84	405	1,506	477	42
04/05	309	302	70	4,473	391	33
05/06	180	224	51	1,231	179	43
06/06	161	138	39	1,495	317	-
07/08	1,951	1,223	443	10,327	2737	208
Total	3,860	2,803	1,170	26,897	5,700	384

Source: Ministry of Health

*Includes all types of nurses **Addis Ababa data not included

In terms of diseases, malaria is the number one killer in Ethiopia. The Ministry of Health acknowledges an estimated 68% of the population are at risk of contracting malaria. The number of bed nets distributed during 2007/08 is 9.2 million, and the affected localities are 6,446. Transmission of the disease is seasonal and predominantly unstable, with frequent and often large-scale epidemics. At 56.7 percent rate, it has become the leading cause of hospital and health centre morbidity during this period. Acute upper respiratory infection (4.8%), other infectious and parasitic diseases (2.7%), all other respiratory diseases (2.1%), etc follow far behind malaria. The prevalence of such diseases in the country has attracted generous aid from all sources, which now is challenging the country's absorptive capacity.

As can be seen from Table 9, on priorities scale in the 2010 national budget, health is down at number five. It is understood that the reason for this is the health sector is the top most heavily financed sector in Ethiopia with overseas aid. The Ministry of Health may not be ready to admit it, but with increased aid has come the problem of accountability. There are allegations that there is no way of knowing who is doing what, where, when, why and with whom (the

famous five Ws). Indeed serious efforts must be exerted to ensure that such capacity develops, before funding sources dry or migrate somewhere where they think there is better absorptive capacity and performance. International funding sources in the health field have already adopted the partnerships funding modality known as the Global Health Partnerships (GHPs).

Included in this group are the Global Alliance for Vaccines and Immunizations (GAVI), the Global Fund to Fight AIDS, Malaria and Tuberculosis (GFATM) and the Global Alliance for Improved Nutrition (GAIN), etc. They are multiplying at a pace faster than the reproduction of rabbits. This is the result of a trend that many wealthy donors are showing willingness to share their wealth, such the Melinda and Bill Gates Foundation (MBGF) and many others. This has caught the attention of the pharmaceutical industry and money-makers have jumped in the play in the form of voluntary organizations. That is one reason why the country needs to develop capacity to monitor where aid money is going and what it is doing. Ethiopia has already become one of the largest recipients of aid in the health sector, which accounts for its success for instance in child immunization, HIV campaigns and fighting malaria.

Getnet Alemu, an Ethiopian development specialist has serious concerns however. In a similar tone, he warns of the danger of aid ineffectiveness and lack of absorption capacity, and accountability problems in Ethiopia, mainly because of lack of harmonization and coordination with the multitude of such organizations. His research attests that dealing with the GHPs that WHO estimates to be between 75 and 100 globally, has not been very easy for developing countries. So far, Ethiopia has remained grateful, taking as much aid as possible, without the trouble of asking or answering the questions raised by the five Ws, mentioned above. Getnet says GHPs “establish their own management and reporting structures and create parallel systems”, as has already been seen focusing mainly on HIV/aids, malaria and TB (A Case Study on Aid Effectiveness in Ethiopia: Analysis of the Health Sector Aid Architecture April 2009, Brooking Institute).

Education and its institutions

Schools are expanding. Primary education (grade 1-8) enrolment has grown from 8.6 million in 2002/03 to 14.7 million in 2008. Number of students in senior secondary schools has grown to 1.6 million in 2008, from 626,714 in 2002/03. The total number of teachers in both government and private schools in 2001/02 was 140,973, while the total number of students was 16.2 million. In 2007/08, the number of teachers has jumped to 291,676.

The problem comes here. In public schools, the average number of students per teacher in classroom is 59.8 in 2000/01 and has only dropped to 58.1 in eight years, that is, 2007/08. In private schools, in 2000/01 the ratio was one teacher for 42 students, while since 2007/08 this has been reduced to 29.0. The high student teacher ratio and classroom sizes are among the main issues that are affecting the quality of education in the country. Excessive focus on expansion of buildings may cost the country too much in the long run, if those that were sent to school do not acquire the necessary skills.

Table 12 gives a good comparison of the situation in the school system and the higher institutions, both public and private, by gender and across four fiscal years.

Table 12

Number of students by sex in government & non-government schools*					
Schools	2003/04	2004/05	2005/06	2006/07	2007/08
Government					
Male	4,007,839	6,658,357	5,148,181	5,531,424	7,088,770
Female	5,626,327	5,057,360	6,760,226	7,110,197	8,430,125
Total	9,634,166	11,715,717	11,908,447	12,641,621	15,518,895
Non-Government					
Male	209,407	237,224	236,171	289,743	345,249
Female	230,500	227,834	246,506	303,881	364,501
Total	439,907	465,058	482,667	593,624	709,750
Male	4,217,246	6,895,581	5,384,352	5,821,167	7,434,019
Female	5,856,827	5,285,194	7,006,772	7,414,078	8,794,626
Grand total	10,074,073	12,180,775	12,391,124	13,235,245	16,228,645
Universities &/Colleges					
Male	-	-	70,338	79,465	17,563
Female	-	-	21,267	25,108	14,244
Total	-	-	91,655	104,573	31,807

Source: CSA 2008 Abstract

*Does not include extension and postgraduate students

Since 2006/07, the country has been boasting of 55 universities and colleges. In other words, if we exclude the colleges and universities that existed before the TPLF, the rate of progress in building such higher institutions is 2.7 percent universities and colleges on a yearly basis. The worry is whether government is giving adequate attention to the quality of education at all, or is in some kind of competition where what matters is the number of buildings. As it stands, most of the schools and colleges have neither equipment nor the books or teachers.

Mere focus on numbers may only prove wasteful in the end. Relations between government and teachers have not been healthy either, because of the continued political tensions. University campuses have become battlefields for inter-ethnic conflicts. Therefore, in the education sector the government needs to re-examine its policies in a comprehensive manner, as schools are always the first point of politicization, where students begin to respond to the already existing polarization society-wide.

Is Ethiopia getting adequate foreign aid?

There is no way of measuring this, especially since aid is considered free money and the needs of a developing country such as Ethiopia are enormous. However, in comparison to the past, the international community has been considerate for the poor in Ethiopia through the years for three important reasons. Firstly, the West is pleased with the TPLF for overthrowing the military junta, a regime they have wished to neither provide aid nor leave it alone. Secondly, they recognize the political and strategic importance of Ethiopia with a strong state tradition in

Africa and its potentials for the future, given the size of its population and with appropriate policy and institutional reforms.

Thirdly, the coincidence of the emergence of China on one hand and the spread of Islamic fundamentalism has compelled the West to give Ethiopia higher importance, as does China. In addition, China sees Ethiopia as its gateway to Africa. Initially the policy of the West in Africa had aimed at maximizing its economic interests by containing Chinese expansion in the region. Now, China's advances in Africa have turned the policy of the West into competition with China, which has immensely benefited Ethiopia. China is providing money and expertise without debilitating conditions. Therefore, Meles has taken advantage of both worlds.

Politically, he has systematically used China as a bargaining position with the West. From time to time, he has taken a tougher stance, which has irked many of them. Having secured the trust of the Chinese, especially in respect of African politics, he has made sure that they would take care of funding his pet projects, infrastructural development. Even before the ink from the last agreement between Ethiopia and China has dried from last May, the two countries signed a new agreement on 15 July worth 1.9 billion euros, according to Reuter, to build two hydroelectric dams with a capacity of more than 2,000 megawatts.

In a way, choice has also given the prime minister the capability to be assertive politically. One could see from this, the West's continues demarche about human rights violations and derailment of democracy in Ethiopia, while the Ethiopian government showing no movement beyond strongly worded denials and nothing ever happening on the ground. At times, Meles is expelling from the country at a moment's notice and a flash of emotions Western experts, without fear of reprisals. The West does not even strongly respond about the imprisonment of their citizens in Ethiopia or those expelled. Thus, under Chinese pressure, it also keeps on pumping resources, despite the fact that the country has shown its independence and strong programme ownership, which is barely popular deep in the heart of any donor. Lately, many have begun to take it with a perspective of history that Ethiopia has never had a colonial past. This thing has its pluses and its negative sides unless such actions at the top are translated into institutional behaviour, which requires ensuring the independence of the civil service that today is a mere party tool, instead of promoter of the national interests.

To respond to the question as to Ethiopia's share in the OECD aid universe. Ethiopia was at the top of the list of OECD supported countries in Africa in 2008. It received country programmable aid (CAP) amounting \$2.502 billion, followed by Tanzania's \$2.191 billion. This amount does not include aid from non-OECD countries such China, India and Middle Eastern countries and international organizations. For 2009, Ethiopia has been overtaken by Tanzania, which receives \$2.238 billion in OECD aid, while Ethiopia's would go down by 12.5 percent to \$2.188 billion.

In principle, in 2010 and 2011 the OECD estimated figure would go down overall. However, the amount of receivable aid puts Ethiopia back at the top of the list again. At the same time, Ethiopia is also the fourth largest receiver of budget support out of the total twelve countries in the world (Benin, Burkina Faso, Ethiopia, Ghana, Madagascar, Mozambique, Senegal, Tanzania, Uganda, Viet Nam and Zambia (Source: 2009 DAC Report on Aid Predictability: Survey on Donors' Forward Spending Plans 2009 – 2011).

Note in this connection, as a basis for its grant of aid, the OECD aid criteria classify recipient countries into the categories of either fragile or conflict-affected state, or both. Ethiopia belongs to both categories along with other 13 fragile and conflict-affected countries. Such classification entitles the affected countries to an additional \$2.0 billion to be shared among them to help them with crises they cannot handle on their domestic resources.

In general, as far as Ethiopia is concerned, aid level should not be used as an excuse for anything, although no aid amount can be sufficient given the low level of the country's development. The more a country becomes dependent on aid, the higher is its addiction blurring the distinction between the enormities of the country's needs on one hand, and the limits of donors' generosities on the other, without even thinking what could be mobilized from domestic sources as a starting point. It is in the country's interest to work to weaning itself from aid dependence.

Where are we in the recession?

The simple answer is recovery is still far off. In the US, the billions of stimulus funds, although not much of it yet spent, have not delivered the much-anticipated outcome, i.e., faster recovery. Credit has started moving, but commercial investment is in a halt. Federal Reserve chairman Ben Bernanke is concerned with a newer problem. His fear is that the state of commercial property may recreate what the housing bubble has done to the financial sector and the main economy. He told the US Senate on 22 July, "As the recession's gotten worse in the last six months or so, we're seeing increased vacancy, declining rents, falling prices -- and so, more pressure on commercial real estate," The previous day he had said, "We are somewhat concerned about that sector and are paying very close attention to it. We're taking the steps that we can through the banking system and through the securitization markets to try to address it." This does not seem to promise the end of the recession is anywhere on the horizon, even during the first two quarters of 2010.

At the same time, oil and dollar are increasing uncertainties, the dollar increasingly slipping and the price of oil rising. By the third week of July, oil prices have breached the \$70 per barrel threshold, compared to \$31 in December. The expectation is that it may still rise further before it declines again. In the meantime, countries such as Ethiopia would have to absorb the additional costs, although they continue to be beleaguered by the foreign exchange crunch. As mentioned earlier, this reality would put to doubt the expectation of inflation moving to single digit in Ethiopia.

In May, there was a lot of talk about green shoots in the United States, which caught up like wildfire because of expectations. Stocks inched up; however, the volatility in the stock markets and commodities remain, although we witness current steady rise in stocks since the second week of July. The more the dollar gets weaker, the more speculators shift between stocks and commodities, until the equities market firms up. This would worsen the uncertainties of commodity exporters in Ethiopia and other developing countries.

So far, therefore, the anticipated recovery signs not holding up economies are still struggling. With regard to oil prices, in either situation Ethiopia is still at a disadvantage. When fuel

prices goes down, there would be saving. At the same time, the country cannot get higher export revenues, as it is a sign of markets contracting. When prices go up, the country loses money and things become more expensive. The country earns more revenues, but inflation, both domestic and imported, pose serious challenges.

If it is any comfort, however, it should be mentioned that a respected Canadian academician has come with a new foresight. In an interesting conversation between Prof. Philip Verleger and Bloomberg's Tom Keene 'On the Economy' segment, the professor believes that the price of oil would fall to \$20 by the end of this year. His arguments are based on two key points. The main one is economic activity has decelerated and demand is low. The other point is the fact that Europe and the US have had enormously high strategic reserves. As a result, the futures market would not take too much risk. His view quoted by another reporter for the same media is, "Prices would be much lower today, but for the very large incentive to build inventories. You need forward buyers, which we had when people were fearing inflation, but as concerns turn toward deflation."

Depressed foreign markets

Europe is Ethiopia's **largest export destination**. However, in spite of talk about 'green shoots' in the United States, on the commodity markets front, there are new evidences in Europe beclouding that optimism. The European Commission issued a new data in May, which indicates that the European economy (16 euro countries) is expected to head into deep recession already this year with 4.4 percent contraction. Ethiopia's major export countries, such as Germany is suffering 5.4 percent contraction and public debt rising. The Italian economy is expected to contract by 4.4 percent, Netherlands 3.5 percent, etc. In 2010, growth in Europe is not likely to exceed 0.1 percent, according to the Commission.

Unemployment in Europe is expected to reach 11.0 percent, an indication that income and purchasing power (aggregate demand) would remain depressed, contracting further the markets for Ethiopian exports. The economic situation in the UK is not any different; already 4.9 percent contraction of GDP is reported on annualized basis. The Swiss economy is in the same boat with 2.9 percent contraction forecasted. In Japan, GDP has shrunk at an annual 15.2 percent rate, they say, it is steepest drop since 1955. In the US, unemployment at 9.4 percent in June is at a twenty-six year high, though some declines were observed in government data for the month of June.

Summing up

In the person of Prime Minister Meles Zenawi, the government of Ethiopia pledged in September 2007 at the launching of the country's second millennium to transform Ethiopia in twenty years into a middle-income country. Heart warming as that is, there is the inevitable reality of dissonance between politics and economics on one side and the weaknesses of the economy's structures on the other, the correction of which, as discussed earlier, does not seem to have been given adequate attention this long. These would make it difficult to achieve that objective.

- (a) At present, Ethiopia is confronted with enormous problems. This is because there are certain things Ethiopia lacks, which other countries that have broken the cycle of underdevelopment had. Government policy has been and still is oblivious of those factors. For instance, of the long list of adverse factors to national development includes, where natural human homogeneity is lacking, national consensus should have been pursued with vigour and in every way possible. Without a people united for a common goal and on a voluntary basis, especially national development, there seems to be less incentive for citizens stressed by poverty to build social capital. The government has not only been reluctant in facilitating this, but in its emphasis on ethnicity has also weakened whatever mutual solidarity and concern there may have existed. Today, Ethiopia is more divided than it should be. This is a wrong direction, and unhelpful for the country to realize its objectives.

What we have in place now in essence is a system that eventually creates inequalities amongst the people, denies the country peace and security, and genuine equality. It needs rebuilding on the basis of democratic principles and respect for fundamental human rights. History provides ample examples of the immense possibilities for success when different people and interests groups work together as coalition and build a better and stronger society. The common denominator they agree upon becomes the point of coordination of their efforts to engage in freeing society from subordination to narrower interests and wants. What we see today is solitary tap-dancing that has already gone against our individual and group awareness of ourselves and the tide of ideas of our time.

- (b) Peace and political stability borne of the rule of law are the most important preconditions for national development. The reality in Ethiopia is that the government is heavy-handed and always right. To get its way, it relies on the use of or threat of use of force, incarceration, blackmail and disappearances, instead of persuasion and consensus building. However, the peace the nation needs should be differentiated from the quiet that fear and repression impose on citizens.
- (c) In any policy environment, mistakes can happen. The wisdom is not to gloss them over or deny, but to correct them and be forthright about them. Since 2005, Ethiopia has been living in an inflationary nightmare, an outcome of mistaken policy judgement that has become devastating. Consequently, that has busted the country's balance of payments, heavily devalued its currency and upset price parity between locally produced and imported goods. This is not to deny the existence foreign factors responsible for that; nonetheless, the main responsibility lies with the policy actions of our government. If our media were free, our experts could write, citizens could speak freely and help problems corrected without creating too many damages.

In this connection, I might add here one quotation from Prof. Inchul Kim of South Korea who, in his *Growth Planning and Statistical Credibility* article, shares with us a relevant experience.

“In a democratic society, the role of the mass media is unquestionable. It closely watches the behavior of government officials and political leaders. If the national goals and

policies set by the government are biased towards a small number of interest groups, the mass media points out the problem and tries to correct them. The national goals should reflect the preferences of the majority of the population. In reality, however, that is not always the case. Even if national goals truly reflect the preferences of the majority voters, the government agents may not want to pursue them. They tend to seek their own interest, and this is referred to as the principal-agent problem. When the preliminary development plans are made, the journalists and critics check the feasibility of the plans and try to point out the adverse effects of the policies.”

- (d) In his eighteen years in power, as a powerful chief executive at the head of the government of Ethiopia, one cannot help noticing that Prime Minister Meles Zenawi's democratic credentials have been badly anaemic. It is an incontrovertible fact, after all, that he has quashed those early promises and hopes of millions of Ethiopians for freedom and democracy. There is no doubt that the prime minister has laboured as hard as one could for economic growth. However, his efforts have constantly been hijacked by the search for legitimacy for both himself and his party, which only his politics and ideology have denied him during these difficult years.

Is there any doubt that the country has become constantly incapable of supporting itself in food production? Government even resorted to denying the existence of hunger not to spoil its image. Our climate is changing, hunger and famine are having shorter frequencies and cycles. With lots of unemployment, no income for the many, or slowly dwindling incomes for the few and sky-high prices of goods and services for all, I am not even sure which way our country is headed. As far as I am concerned perhaps it is time that Ato Meles takes his expressed interest to pass on the baton too seriously.

NOTE TO THE PRIME MINISTER ON HOUSEKEEPING MATTERS

Prime Minister Meles, you may wish to take a few more measures for legacy's sake, before you leave, if you leave. The change I have in mind is perhaps easier for a powerful person such as your good self, as an outgoing prime minister. That is to initiate, before you leave, if you leave, or support any efforts to limit the terms office of your successor prime minister to a maximum of two terms. I understand you may be advised that it is too late in the day for you to do that. They may tell you it is discourteous of you at the last minute to do that to your successor. You must recall in 1995 that you insisted on limiting the terms of office of the president that you knew you would vacate. At the same time, you refused to accept term limits for the chief executive of the government that became your destination.

By the way, if you do what I am kindly asking you now, you would spare the country of entrenchment by your successor in power for much longer than is necessary, as you did. Lately, there is even the danger of a new disease called constitutional revision, prevalent now in some African and Latin American countries. Your friend President Museveni has done it to Ugandans. The idea is to enable greedy men of power to stay in office indefinitely. Early on Jean-Bedel Bokassa did it. It was not enough for him. At last, he crowned himself an emperor and died in power. There was not anything imperial about him or his death. Nonetheless, he died a common man's death, that we all share. His must have been surreal to Central Africans, the man the world held in contempt for his vanity and terribly flawed personality.

I see! Might I be wrong in asking you this favour? How do I know that you yourself would not have revised the provisions of the constitution? Fortunately, you would not be accused of that, because we never had one. Anyways, I still urge you to put a safety valve into what you may propose before you leave, if you leave, and in case you are willing to do it and succeed doing it. Please make it nearly impossible to change its provisions of the revised constitution. The rest may be tidied up after your departure.

Finally, I must say, after all, it has never been right you have been in power for eighteen years; certainly, without our consent. It is not right at all that the nation should be a passive observer in matters of such gravity, leaving the whole thing to the benevolence of a single individual, the chief executive, until he expires or is physically exhausted, as you are claiming now. It is not right! It is not fair, at all!