

## A country at a crossroads - Ethiopia before the elections 2020

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*The focus of international attention is on Ethiopia: Prime minister Dr Abiy Ahmed Ali was awarded the Nobel Peace Prize on the 10th of December 2019. He was honoured for his engagement to push the country's democratisation process as well as for the rapprochement to its neighbouring country Eritrea. However, Abiy is under pressure in his own country as the impact of his reforms has not yet reached the population. There is a huge need to speed up the country's industrialisation process as well as to lure investments that aim at the creation of much needed jobs, especially for the young population. Also, the security situation is very volatile and marked by strong ethnic tensions. Hence, the elections that are planned for May 2020 may be difficult to realise. Their implementation and outcome are central to Abiy and the continuation of his inclusive democratic reform course that stands under the motto „medemer“ (english: bringing together/reconcile).*

### Abiy's rise and successes

In April 2018, the Ethiopian parliament elected Abiy to become the youngest prime minister in Africa. This was preceded by enormous anti-government protests by the population and the withdrawal of former prime minister Halemariam Desalegn.

After almost 30 years under the ruling coalition of the Ethiopian People's Revolutionary Democratic Front (EPRDF),<sup>1</sup> Abiy came to be the first prime minister who derives from the Oromo ethnic group. Prior to that, the position was always occupied by a representative of the Tigray, an ethnic minority that dominated the ruling coalition via their Tigray People's Liberation Front (TPLF).<sup>2</sup>

1 The EPRDF consisted of four parties: Tigray People's Liberation Front, Amhara Democratic Party, Oromo Democratic Party and Southern Ethiopian People's Democratic Movement.

2 Only 6.1% of the Ethiopian population are Tigray. The Oromo

Abiy promptly initiated reforms regarding the democratic opening of the country. Ethiopians welcomed this development after decades of authoritarian leadership. Abiy has also advocated for reconciliation among ethnic groups as well as for peace, both within national borders as well as with the neighbouring countries, especially the former arch rival Eritrea.



The Ethiopian Prime Minister Abiy welcomes the Eritrean President of State Isaias Afewerki

In August 2018, only four months after taking office, Abiy achieved to negotiate a peace deal with Eritrea, which he was awarded for with the Nobel Peace Prize in December 2019. After more than two decades of conflict, dialogue has been restored, with the two countries now exchanging Ambassadors and having daily flight connections between the two capitals Addis Abeba and Asmara. Abiy dedicated the prize to the Ethiopian and Eritrean people for the joint rapprochement and reconciliation. He emphasized that the central challenge was to sustain peace in the long run.

Beyond that, Abiy was awarded for the numerous democratic reforms inside Ethiopia. Besides liberating thousands of political prisoners, he also invited former exiles to return to the country. Furthermore, he allowed mo (34.6%) and Amhara (27,1%) constitute the two biggest ethnic groups in the country.

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new parties, also those that oppose him politically. He removed senior officials from the old regime and placed women in important positions. Thus, for the first time in its history, Ethiopia has a female head of state, President Sahle-Work Zewde. The country is thus among the top most improved in the international 2020 gender equality index.

One of the first important reform steps was the change of the law for non-governmental organizations (NGO), that dated back to 2009. The law had strongly restricted activities and critical voices from the civil society: NGOs were not to receive more than 10% of their funding from abroad and it was forbidden to carry out political educational work. As this regulation has now been repealed, NGOs are allowed to accept external (foreign) funding and become capable of acting. Additionally, the rigid restrictions of the press and the internet were lifted and freedom of speech was restored. This allowed for social media as well as more than 260 websites to become available again.



The Hawassa industrial parc is currently the biggest manufacturing site for clothing, situated in the country's south

Also, Abiy initiated the opening of the state-regulated economy towards a market-based economy: Thus, the entire sugar production has already been privatised and the telecommunication sector is scheduled to follow by March 2020. Other branches such as the energy and transportation sector ought to be liberalised in future as well. Moreover, Abiy put increased industrialisation on the agenda. In order to attract foreign direct investments, he plans to raise the number of industrial parks from the current four to 30. These shall

be home not only to the international textile sector but also other processing industries.

## **Powder keg Ethiopia – conflicts continue**

Despite the initiated reforms, Ethiopia is still facing a range of challenges: the much celebrated peace process with Eritrea has stalled - the borders between the two countries were closed by the Eritrean side in the end of 2018. Besides, there is no final trade agreement between the two nations. Observers who had hoped for a new impetus for the democratisation of Eritrea are disillusioned.

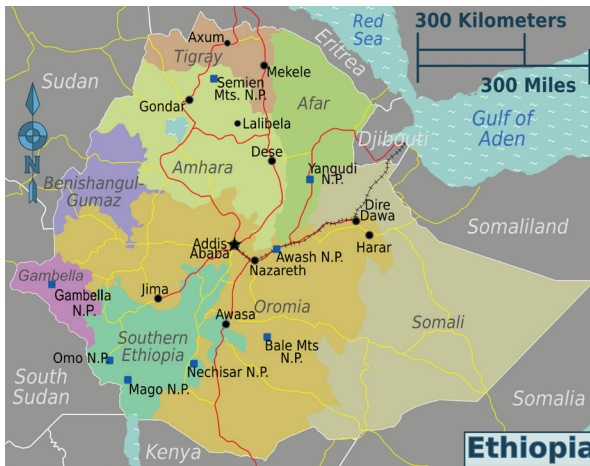
The institutional capacities of the Ethiopian state are still very weak after decades of authoritarian leadership, which makes the implementation of reforms quite difficult. Moreover, despite important changes in the government's leading personnel, other central positions are still occupied by people who already served the repressive regime. Their loyalty towards the reform plans is not guaranteed. It is often denoted that Abiy himself was a member of the previous authoritarian government. As a former member of the army, he is sometimes accused of using a militaristic style in his speeches.

A lack of economic perspectives, especially for young people, has let the initial euphoria after Abiy's inauguration disappear. Many people consider the reforms' progress too slow. Generating positive developments that are visible to the eye of the public becomes central for Abiy's political future to be successful. In order to achieve important steps, new financial resources become essential. However, this demarks a special challenge since the country's debt has risen immensely over the years. The World Bank speaks of a debt volume of 52.57 billion USD and therefore attests Ethiopia a high risk to end up in a debt trap.<sup>3</sup> More than 50% of the country's foreign debt is owed to the People's Republic of China which makes Ethiopia China's second biggest African borrower behind Angola.

<sup>3</sup> Of that, foreign debt constitutes 26.93 billion USD.

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Low productivity in the agrarian sector is another crucial challenge as more than 80% of the population are reliant on income from agricultural activity. In order to expand exports and to participate successfully in world trade, observers consider building up value chains in this sector to be indispensable. This might also reduce the high foreign trade deficit which has led to a severe foreign exchange shortage. The foreign exchange dilemma coupled with the consistent shortage of skilled labour presents a huge obstacle for local and international investment.



Abiy's biggest current challenge is the division of the country along ethnic lines: Ethiopia is a multi-ethnic state, consisting of more than 80 ethnic groups and over 100 different languages. The EPRDF introduced a political system of ethnic federalism in 1994 but its dominant coalition partner, the TPLF, still held on to a firm grip from the centre. Thus, the system never crossed the line from quasi-federalism to real federalism, although regional autonomy has been embedded in the constitution. Since the democratic opening under Abiy, space for regional demands has opened up. In some places, however, political forces use this new space for strengthening the own ethnic group and to fuel separatist movements. Currently, four regions claim independency. On the other hand, there was a successful referendum on the creation of a new administrative area in Sidama so that the country will increase its federal states by one. For maintaining the direction of reconciliation and for preventing

Ethiopia to disperse into different small states, Abiy is required to meet the regions wishes of increased autonomy whilst guaranteeing the central state's unity and ability to act.

Altogether, security experts observe a shift of the conflicts from the vertical (government versus population) to the horizontal (ethnic groups against each other). This is especially true in border areas of the different regions. Since the liberalisation process set in, the population accuses the state of not being capable of guaranteeing their security which is why they are increasingly organising themselves on a local level. It is reported that in some places, farmers are exchanging their cattle against large-calibre weapons in order to defend themselves. Around 100 people per month are currently killed in violent conflicts.

These smoldering conflicts foster the displacement of people in the country: according to the Red Cross the amount of internally displaced persons (IDP) reached a new high of more than 3 million under Abiy. The government emphasizes that there has been successful repatriation of IDPs into their communities, currently leaving only 200.000 IDPs. NGOs assume the number to be higher as the people still lived in tent cities after repatriation though close to their place of origin. The government has recognized the issue. In collaboration with the UN and further donors, the National Durable Solutions Initiative was adopted. This initiative aims at supporting reintegration in the coming two years through e.g. urban planning.

## Upcoming elections in 2020

Given this background, the upcoming election in May 2020 constitute a heavy stress test for the country's democratic transition. Several observers consider the schedule to be in danger, whereas the Ethiopian election commission holds on to the election date in May. The exact date however has not been confirmed by now. Neither has the registration of voters been concluded half a year before the potential election date. To make matters worse,

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the census that is required to be conducted by the election commission according to the constitution, could not be conducted due to the volatile security situation. A postponement of the election, for example to the end of the Ethiopian year in August 2020, appears to be at least an option.

Furthermore, the political parties and possible coalitions are still in the phase of formation. What is sure is that the former government coalition EPRDF will not compete as such anymore. In November, the party alliance's council decided under Abiy's leadership with a substantial majority that the EPRDF would be dissolved and a joint party was founded: the Ethiopian Prosperity Party (PP). In contrast to the EPRDF, the PP is said to promote a liberal programme.<sup>4</sup> The PP does not only coincide with Abiy's reform policies but also with his idea of national unity covering Ethiopia as a whole.

There is only one member party of the former ruling coalition that abstained from affiliating with the new PP: the previously dominant TPLF. She considers the PP to be a threat to the system of ethnic federalism. Criticism however also arises from among Abiy's own ranks. In early December, defense minister Lemma Megersa, one of Abiy's closest confidants, questioned the point of time as well as the sense of the newly founded party. Lemma is a prominent Oromo-politician whose support may become relevant for Abiy in the election.

If Abiy can emerge victorious from the election will also depend on further candidates. The Ethiopian prime minister is elected by parliament, hence making the majority ratios across the parties decisive. For now, the parties are more or less divided into two camps: the unitarists who promote the Ethiopian state's unity and the ethnonationalists who want to strengthen the respective federal state's autonomy. The last-named also include the TPLF who currently searches for allies among the ethnonationalist parties. It is uncertain

<sup>4</sup> The programme exists only in Amharic at the time of writing.

which camp - unitarist or ethnonationalist - will receive the bigger share of the votes. In which manner the different parties are poised to form coalitions concerning the election of a prime minister is even more uncertain.

Abiy's most prominent ethnonationalist opponent these days is Jawar Mohammed. The 33-year-old media mogul who has origins in the Oromo-region as well, was a central person for the organisation of anti-government protests before Abiy came to power. However, he has been criticizing Abiy's policies of national unity since then and now demands increased regional autonomy. Many observers accuse him of hate speech and thus heating up ethnic conflicts. His enormous influence on the Oromo youth became apparent when he claimed a suspected attack on his house by Ethiopian security personnel end of October: the subsequent anti-government protests and ethnic clashes in Oromia and the capital Addis Abeba claimed the life of 86 people in the time frame of two days. Since then, Jawar has toyed with the idea of contesting the polls in 2020.

Accordingly, there are worries that the ethnic and political violence might increase during the election period. The tensions might lead to a situation that will not allow for the election to be conducted at all. This might result in a postponement in the respective regions. Guaranteeing the population's security is thus one of the most important and most difficult tasks for the security forces as well as the National Election Board of Ethiopia (NEBE).

A first test for NEBE was marked by the Sidama referendum. The Sidama, who are residing in the country's southern part, voted with an overwhelming majority of 98% in favour of the establishment of a federal state they can call their own. The election process went smoothly from both an organizational as well as a logistical perspective. NEBE received a lot of positive acknowledgement for the implementation. However, the lessons learnt from the referendum cannot be fully carried over to the upcoming parliamentary election,

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due to the fact that the question of the Sidama referendum was undisputed - in contrast to the politics on the national level, there were no dissenting opinions. The Sidama had been fighting for their autonomy for a long time.

The Sidama referendum is considered a success for prime minister Abiy and his politics of democratic opening. Although the Sidama's claim for a state based on ethnicity runs counter to Abiy's politics of national unity, the Sidama were allowed to decide freely on their future. This is exactly the freedom that the Nobel Peace Prize winner also promised for the national elections.

## **Bilateral Relations on an all-time high**

Back under the former government of Hailermariam Desalegn, Ethiopia was one of the first countries to join the Compact with Africa initiative (CwA) that was coming to life under the German G20 presidency. This fact is definitely one of the reasons why Germany was fast to deepen the partnership with the country after Abiy was elected. Ethiopia is now at the heart of German Africa policy. Already at the end of 2018, the two countries entered into negotiations on a new reform partnership under the CwA framework. This partnership agreement was finalised in November 2019.

The reform partnership comprises a total of 350 million Euros and targets the sector of vocational training. Like the other reform partner countries, Ethiopia features prominently in the BMZ Special Initiative "Training and Employment". In the framework of the Federal Ministry of Economic Affairs' "Africa Business Network", Ethiopia is represented with one out of only three pilot projects. The framework's goal is to actively assist German medium-sized companies with entering the Ethiopian textile, clothing and leather market.

Numerous official visits between the two countries underline the current crucial role of Ethiopia in German Africa policy. Different members of parliament, parliamentary

committees, the Federal president Frank-Walter Steinmeier as well as the Bavarian Prime Minister Markus Söder visited Ethiopia in the last year. In the beginning of December 2019, Development Minister Dr Gerd Müller and Minister of Labour Hubertus Heil were the latest guests to Addis Abeba right before the designated EU Commission president Ursula von der Leyen paid a visit to Ethiopia's capital as well. The increased German interest is received positively by Ethiopian government circles.

## **Assessment and Outlook**

It is striking that, on the German side, the picture of the Ethiopian partner frequently focuses on the positive aspects only. Consequently, the various internal political challenges seem to be neglected. While economic challenges such as the shortage of foreign reserves and skilled labor are being named, it is rarely seen that Ethiopia is at a crossroads regarding its political development. A realistic view of the country would be essential in order to prevent unrealistic expectations of a possible "saviour" Abiy. Ethiopia is facing a stony path, many scenarios between a successful democratic transition and a situation close to civil war seem possible. It is thus of utter importance to have a differentiated view of the country's opportunities as well as its challenges and to prepare for the various scenarios in order to guarantee the political capacity to act within the partnership.

Sustainable economic development, meaning mainly the creation of jobs, will be decisive for Ethiopia's future. In principal, it is thus to be welcomed that Germany is engaging heavily in the sector of vocational training. At the same time, a realistic perception of the potential outcome is necessary as the bilateral programmes are only moderately equipped when it comes to financing. Each year, two to three million people reach the working age and need to be integrated into the labor market. In the end however, the structural conditions for a sustainable economic development clearly need to be constructed by the Ethiopian state

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on its own.

Furthermore, a new definition of the ethnic federalism is crucial in order to achieve political stability. In this area, Germany could play a constructive role as it already did in Kenya for example. Provided that there is Ethiopian interest, Germany could offer a collaborative dialogue on the future design of Ethiopia's federal system, based on its own, positive experience. The Ethiopian Ministry of Peace is said to have already made a corresponding request. Additionally, voices in the Ministry of Foreign Affairs showed interest. In light of the upcoming 2020 elections and the tense internal political situation, immediate action seems desirable.

Altogether, the strengthening of German-Ethiopian collaboration is to be welcomed and without alternative not despite of but rather because of the load of internal and external political challenges. Given its sheer size of more than 100 million people in one of the most volatile regions on earth, Ethiopia is "too big to fail". In exchange with the Ethiopian government and other international partners, Germany should thus further develop its engagement in order to achieve a long-term partnership that is capable of coping with potential setbacks for contributing to the stability of the country.

This issue of Afrikapost aktuell was created as part of a visit to Addis Ababa and is based on various discussions as well as the following sources:

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