

# Ethiopia Strives To Overcome War And Poverty, Launch Development

by Uwe Friesecke

Over the past year, Ethiopia caught the headlines of the world's press with two major events: the drought and threat of famine, and the war with neighboring Eritrea. On both accounts, the international press has done little to clarify the policy perspective of the Ethiopian government. Whereas the seriousness of the government's efforts to deal with the effects of the drought were often put in doubt, its intention to reach a lasting peace agreement with Eritrea was given almost no coverage.

A team of *EIR* journalists visited Ethiopia during the last week of November. In talks, Foreign Ministry officials in Addis Abeba expressed their regret, that old political friends in the U.S. and European governments had tried to pressure Ethiopia unduly into policies contrary to its national interest. After all, they said, Ethiopia and the United States established diplomatic relations in 1903, and only shortly afterwards with Germany. The fact that especially those two governments tried to undercut Ethiopia's position vis-à-vis the UN Security Council, during the conflict with Eritrea earlier in the year, has raised serious questions in government circles about the real intentions of Western policy for Ethiopia and the Horn of Africa.

The Foreign Ministry spokesmen expressed their concern. "We are involved in a fight for survival," one official said, and warned, "If the country collapses, it would mean the collapse of the Horn of Africa." But the fact that the country was unjustly pressured for the last three years, since the war with Eritrea started in 1998, was taken as a lesson, and only strengthened the resolve to bring the war to an end militarily, and then to reach a workable peace agreement. Government officials expressed their relief, that such an agreement within the framework of the Organization of African Unity (OAU) and the UN is now in sight. Because now, resources can be fully concentrated on the development of the country.

"We cannot go on living on food aid," said a high-ranking Foreign Ministry official, who defined the rapid upgrade of infrastructure and education as key to increasing the productivity of the Ethiopian economy. The government has put into place an effective apparatus to forecast and deal with the crisis of food insecurity and threatened famine, the Disaster Prevention and Preparedness Commission (DPPC), which

coordinates closely with non-governmental organizations and international aid agencies. But its main concentration is on implementing a development strategy for agriculture and industry, based on investment in infrastructure, which could free the country once and for all from the fear of recurring droughts and famines. Talks with the Minister of Agriculture, the Ministry of Water Resources, and the DPPC left no doubt, that this is imminently feasible. If governments and political circles in Europe and the United States were serious about furthering peace in the Horn of Africa, they would generously support Ethiopia's medium-term development strategy.

## The Recurring Threat of Famine

Most people remember the catastrophic famine that Ethiopia suffered at the beginning of the 1970s, which contributed

FIGURE 1  
Horn of Africa





*Muriel Mirak-Weissbach meets with officials of the Ethiopian Ministry of Water Resources in Addis Abeba, Nov. 29.*

to the downfall of Emperor Haile Selassie in 1974, and the famine that occurred under the regime of Col. Mengistu Haile Mariam in the middle of the 1980s. Again, since 1997, drought conditions have developed throughout the Horn of Africa, affecting not only Ethiopia, but also Eritrea, Somalia, Kenya, Uganda, Sudan, and Tanzania. By April 2000, this had developed into a full crisis of lack of food and water, threatening more than 10 million people in Ethiopia alone. Already at the end of 1999, the Ethiopian government had launched an emergency appeal to the international community, but the response was too slow to avert the crisis at the beginning of this year. And only when starving children were shown on Western TV screens, did the governments of Europe and North America react decisively to prevent the worst. By now, of the 1.3 million tons of food relief needed for this year, almost 1 million tons are pledged by international donors and about 0.8 million tons have already been delivered.

The DPPC has established an effective early warning system on food security throughout the country. They work together with Ethiopia's meteorological service and various ministries, such as Health and Agriculture, to assess every year, at the end of the harvest, what the food requirements will be for the next year and how much international aid is needed to guarantee food security to every household. The DPPC coordinates closely with the relevant agencies of the United Nations and the governments involved in delivering food aid. Within the next two to three weeks, the assessment for 2001 will be completed, based on data from this year's harvest, which was significantly better than last year's, because rainfall had returned to the key regions of the country.

At a briefing session led by Getachew Tesfaye, head of

fundraising for the DPPC, the officials stressed to *EIR*, that this government formulated a new national policy of disaster prevention in 1993, which for the first time links relief and aid with development. It puts forward a long-term vision for household food security, which would reduce the recurrence of disaster, in favor of development. In the end, the officials said, the agency should not be needed any more. Emergency measures will not bring the necessary changes to the country; this has to be effected by development, they said. The danger of recurring famine stems from the fact that lack of infrastructure leaves large parts of the country in the southern, central, and northeastern regions, which depend entirely on rainfed agriculture, extremely vulnerable to unreliable patterns of rainfall. More than 85% of Ethiopia's 63.5 million people are rural, most of them being farmers on small plots of land. If rainfall fails to appear, disaster strikes easily, destroying crops and killing livestock, thereby wiping out the livelihood of millions.

### **Agriculture and Water Management**

Over the years, most reports in the international press have contributed to Ethiopia's image as one of the poorest countries in the world, which apparently has very little chance to free itself from cycles of drought and famine. While it is true that, according to the government's GNP figure for 1997-98 of \$5.44 billion, or \$91.5 per capita, Ethiopia ranks as one of the poorest in Sub-Saharan Africa, and while the poverty is very visible on the streets of Addis Abeba, and reportedly more so in the countryside, it is not true at all that the country lacks the physical resources to break out of the poverty it has been living under for decades. Background discussions with Dr. Mengistu Hulluka, the Minister of Agriculture, and with



*Ethiopian Agriculture Minister Dr. Mengistu Hulluka.*

engineers and economists at the Ministry of Water Resources and the Ministry of Economic Development and Cooperation, clarified, that Ethiopia has all the potential to produce enough food for its population, which is expected to double within the next 30 years.

The key is water availability. Ethiopia has more than enough water from nine rivers and large underground reservoirs, but uses less than 2% for irrigation and only 1% for power production. If this water can be made available for agriculture through irrigation, and thereby lessen dependency on rainfall, then Ethiopia can produce enough to feed its own population, and even for export. The government's development strategy is based on this perspective.

Agriculture is the mainstay of the Ethiopian economy. It involves 85% of the population, contributes 50% to GDP, 90% to export revenue, and delivers 70% of the raw materials to industry. Of the total land area of 112 million hectares, only 16.6 million hectares are currently under crop cultivation. Crop farming is mainly based in the Ethiopian highlands, which constitute 44% of the land, and livestock raising in the lowlands, which make up the other 56%. On 500,000 hectares, peasants grow coffee, which is the most important export commodity, earning foreign currency. The majority of peasants on 9 million hectares are small holders, on plots not exceeding 1 hectare in size. These are the most vulnerable to drought, as well as the livestock growers in the southern lowlands.

Ethiopia is proud to have the largest number of livestock in Africa: 35 million head of cattle, 25 million sheep, 18.6 million goats, 63 million chickens, and 10 million bee colonies. But as in crop farming, the productivity of milk per cow or meat per ox is very low. According to Dr. Mengistu Hulluka, the government since 1995 has been successfully

implementing an agricultural extension program, aimed at increasing the productivity of crop farming of the small holders, so that each farm should produce more. The government makes available improved seeds, fertilizers, and pesticides. The peasants used to produce 1 ton of cereal per hectare. Now, some already get up to 4 or 5 tons per hectare. The same improvement of productivity is planned for the livestock sector.

These improvements are part of the Agricultural Development-Led Industrialization (ADLI) policy of the government, which envisages a long-term structural change of the economy, similar to that experienced historically by Europe and North America. Also, industry would grow, and increasingly absorb new labor from the farm areas, and, because of productivity increases, fewer farmers would produce more food.

The two most important constraints upon agriculture in Ethiopia are lack of transportation infrastructure and lack of water availability. On average, a peasant in the rural areas is six hours away from the closest access road. The government is now trying to implement a ten-year plan for poverty reduction, which includes building of rural road networks, which would reduce this to only three hours. There is only one, old railway line linking Addis Abeba with Djibouti.

Ethiopia could be called the water tower of East Africa, because most of the water of 12 river basins flows across it, to other countries. The total runoff amounts to 123 billion cubic meters of water annually. Of this, only 1.5% is used. Only one river basin, the Awash in the center, is being utilized. Along its banks, sugar cane, cotton, and vegetables are grown commercially. It is estimated that more than 3.5 million hectares of land are potentially irrigable, but so far only 160,000 hectares (5%) have been developed.

The gross hydropower generation potential of the country is estimated to be 650 kilowatt hours per year. If only 25% were exploited economically for power, it would be equivalent to 100 times the existing installed capacity. In addition, it is estimated that Ethiopia has approximately 2.6 billion cubic meters of groundwater.

Besides the scarcity of water for agriculture, the other big problem is lack of clean water for human consumption, and lack of sanitation. In the rural areas, only 23% have access to safe water, and in urban centers 70%. Outside the capital, Addis Abeba, sanitation is almost nonexistent.

These figures show once again, that drought-stricken Ethiopia's problem is not lack of water or land, but lack of large-scale infrastructure projects such as dams and canals for water management, lack of sanitation, and lack of roads and railways for transportation.

### **Geopolitical Constraints**

The engineers and agricultural experts in the Ethiopian government, who briefed *EIR* on their development perspective, know very well what is needed to overcome the country's perennial crisis of underdevelopment in the medium and long

term. But, the government constantly runs up against the financial and political constraints set by the International Monetary Fund and World Bank, in accordance with the U.S. and European governments. Any bilateral agreement on financing even small-scale projects of road construction or water management, depends on the country being certified by the IMF first. Admittedly, these governments and the United Nations every year give enough food aid, that large-scale starvation is avoided. They also agree to some useful, small infrastructure projects. But those large-scale infrastructure projects, like 15 or 20 dams at key river locations, a national railroad grid, or doubling and tripling of the paved road network, which are needed to elevate the physical economy to the level needed to break out of poverty, are not on the agenda of these institutions.

Instead, as in the case of all the other African countries, the fact that Ethiopia carries more than \$10 billion of foreign debt, is being used as blackmail to enforce the implementation of the IMF's long-discredited structural adjustment policy. This policy pushes the country further into poverty and social dislocation. Tight budget discipline, privatization, and retrenchment of the civil service, all demanded by the IMF, necessarily increase unemployment and poverty. Typical of the IMF/World Bank approach, is the demand on the Ethiopian government to introduce tuition fees at the University of Addis Abeba. This educational facility is the pride of the country and has more than 20,000 students enlisted because it is tuition-free. Looking at the consequences of these World Bank demands, professors only shake their heads and argue, that university fees would eliminate whole groups of students from the university.

Most government officials whom *EIR*'s correspondents talked to, recognize these pressures as the unfortunate reality that currently defines a framework, under which Ethiopia has to try to survive. But in the meantime, a discussion is going on in government, political, and university circles, about the changes needed in the world economic and financial system to give Africa a chance to finally realize its potential for development. The president of the Ethiopian International Institute for Peace and Development, Dr. Kifle Abraham, was most outspoken about it, and argued that Ethiopia and Africa have been marginalized, being forced to live on aid, and that this cannot continue. He demanded changes in the world economy that would revive the principle of solidarity within the developing sector.

Over the last two years, governments in Washington, London, Paris, and Berlin should have learned a lesson from Ethiopia. This country was never a European colony. It thoroughly defeated an Italian invasion force at the battle of Adua in 1896, and it ended Italian occupation again in 1941. When it is attacked militarily, it will defend itself with determination. In the end, the same determination may be manifest, when it comes to the economic survival and development of the country.

# India Takes a Major Initiative Toward Southeast Asia

by Ramtanu Maitra

On Nov. 10, India and five Mekong River basin countries—Cambodia, Laos, Myanmar, Thailand, and Vietnam—announced the formation of a Mekong-Ganga Cooperation (MGC) group, in the Laotian capital city of Vientiane. The announcement culminated the visit of India's External Affairs Minister, Jaswant Singh, to the area. The initiative, directed by New Delhi and subsequently labelled as the "Vientiane Declaration," called for, in the first stage, promotion of tourism, culture, and education.

In subsequent stages, the Declaration committed the member-countries to develop transport networks—in particular the East-West Corridor and the Trans-Asian Highway—under the rubric of transport and communications.

The Declaration also spelled out promotion of air services and rail linkages between India and the member-countries, as well as greater cooperation in science, technology, and human resources development. A section was also devoted to strengthening "cooperation in the development of Information Technology infrastructure and networks."

China has officially welcomed the formation of the MGC, and the declaration has been received warmly inside India.

## Part of a Wider Program

New Delhi's initiative to launch the Mekong-Ganga Cooperation must be seen in the context of India's other recent initiatives designed to widen its foreign policy framework and to develop stronger economic relations with its neighbors.

In its west, India, in collaboration with the West Asian nations, is now engaged in developing physical infrastructure to tackle some of its energy-shortage problems. India is in the process of building at least a half-dozen large container terminals on its west coast, to bring in natural gas by container ships from Yemen, Qatar, and Oman. These projects have been given priority, and a number of multinational companies have been allowed to participate in these projects along with the Indian private- and public-sector companies.

Another major project, which involves piping into India natural gas from Iran through Pakistan, is hanging fire due to unresolved disputes that cloud India-Pakistan relations. On Nov. 28, New Delhi declared a month-long unilateral cease-fire in Kashmir in order to start a process to resolve the 53-year-old Kashmir conflict—the core issue of dispute. As of