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EDITORIAL

Alarm Bells are Ringing

One major event that took place at the EEA since the publication of our previous issue is the Sixth General Assembly of EEA. During the General Assembly not only election of the association's officials was made but also a panel discussion on the issue of 'Human Resource Development in Ethiopia' was conducted. In this issue of *Economic Focus* we have brought you some of the papers presented in the panel discussion.

As can be read from one of the articles in our 'Economic Issues/Information' column of this issue, human resource is central to economic development. One central element in human resource development is the education sector in general and the state of higher education in particular. The EEA's president, Dr. Berhanu has raised his grave concern about the state of higher education in the country by primarily focusing on Addis Ababa University. He has touched upon the major issues that need the attention of both the university's and the government officials. Dr. Hailu Ayele, the Academic Vice President of the Addis Ababa University, has also shared some of Dr. Berhanu's concerns but is not as pessimist as Dr. Berhanu is. According to Dr. Hailu, although the university has many problems largely related to qualified staff, lack of teaching materials and in general resources, it is doing fine.

The EEA is happy that this discussion is conducted in an atmosphere of raising major problems and resolving them accordingly. The EEA is again happy that both the private and foreign media have given coverage to the issues raised and opened venue for further discussion because the aim of EEA's panel discussion and the publication of *Economic Focus* is partly motivated by such an objective. From the panel discussion which included Ato Michael Asfaha's paper on the view of the private sector and Ato Getahun's general background paper, it seems that the University has a serious problem. It also seems that one way of resolving the problem is a serious devolution of power to faculties and departments. In light of the problems raised, even the much talked about restructuring process in the University may not alleviate the problem, if at all it is implemented. This is because devolution of power may create tension between the existing and emerging power structure about which nobody is sure. This logically leads to issues of democratization and prioritization in the University. The EEA's panel discussion has shown us one thing for sure - alarm bells are ringing. The question is whether we are ready to do something about it - the sooner the better.

On top of the papers on this crucial issue, this issue of *Economic Focus* also contains our regular features of Economic Issue/Information where we have included an article on East Asian experience, Ato Shimelse's paper on the problem of the housing sector and Seid Nuru's attempt



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ባለፈው ልሳነ ኢኮኖሚክስ ላይ (ቅፅ1:እትም 4): "ጋሼ አሸቱ አልምተም" በሚል ርእስ እንደ ማስታወሻ ማቅረቢያ ይታወሳል። በዝምታ እንደ ላለመሆን ሲባል፤ ከዚህ ዕሁፍ ጋር በተያያዘ፤ እንዲት አነስተኛ መልእክት በዚህ አጋጣሚ ማስተላለፍ የሚያሻ ይመስለኛል። ይኸውም፤ 'ጥረሽ' የተሰኘው ሳምንታዊ የግል ጋዜጣ በነሃሴ 5 ቀን 1990 ዓመተ ምህረት ቁጥር 31 እተመ፤ የዕሁፉን አብዛኛውን ክፍል" ዶ/ር አሸቱ ሮሎ የዩኒቨርሲቲ ሁለት ዓይነት ሻማ" በሚል ርዕስ ማቅረቡን ይመለከታል። ከሁሉም በፊት፤ የጋዜጣዊ አዘጋጆች በዕሁፉ ስላላዩት ፍላጎት፤ በባለታሪኩ፤ በማህበሩና በራሱ፤ እንዲሁም የማወቅ መብት ባለው ህዝብ ስም ከልብ አመሰግናለሁ። ምክንያቱም፤ አዘጋጆቹ ለባለታሪኩ ከሚሰጡት ክፍተኛ ግምት በመነሳት ህዝብ እንዲያወቀው ህዝብ እንዲያወቀው ካደረገባቸው ጉጉት የመነጨ እንደሆነ በማሰቤ፤ ብሉም ዕሁፉም ሆነ ማህበሩ ይህንኑ ቅን መንፈስ የሚጋሩ በመሆናቸው።

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በብዙ መልኩ ጸሁፎቻችንን መልሰው ለማሳተም ለሚፈልጉ ትብብር ለማድረግ ፈቃደኛ ነን፤ ማኅበሩን የማይሳጸ ከሆነ። አስቀድመን ግን መጠየቅ ነበረብን። ጥረሽ ይህን አላደረገም፤ የዚህን ዓይነት ድርጊት ሲፈጸም ሁለተኛ ጊዜው ነው። አትኩሮት የተባለው ጋዜጣም ተመሳሳይ ድርጊት አድርጋል። ማህበራችንም ህጋዊ ባልሆነ መንገድ ጸሁፉን በሚያወጣ ላይ ህጋዊ እርምጃ ለመውሰድ የሚገደድ መሆኑን አሳዉቆ ደብዳቤ ለጋዜጦቹ ጽፎላቸዋል።

HUMAN RESOURCE DEVELOPMENT

On August 1, 1998 the Sixth General Assembly of the Ethiopian Economic Association was held at Ghion Hotel, Sheba Hall. On the event, the annual report of the Executive Committee covering the period from July 1997 to July 1998 was presented by the Secretary of the Association. The balance sheet and the income and expenditure account of the Association for the financial year ended December 31, 1997 was also presented to the General Assembly by an independent auditor and the report was accepted by the Assembly. The Sixth General Assembly of the Association ended with the election of new Executive Committee members, namely:

Dr. Berhanu Nega - President, Dr. Wolday Amha - Vice President, Dr. Assefa Admassie - Secretary, Dr. Alemayehu Geda - Chief Editor, Woiz. Tiruwork Tizazu - Treasurer, Ato Abrar Suleiman - External Relations Officer, Woiz. Helina Haile Selassie - Member, Ato Getahun Tafesse - Member, and Ato Getachew Adem - Member.

During the Sixth General Assembly of the Association a panel discussion on "Human Resource Development" was held. We picked some of the papers to appear in this issue of the *Economic Focus*.

WELCOMING ADDRESS BY DR. BERHANU NEGA AT THE SIXTH GENERAL ASSEMBLY OF EEA

Invited Guests

Members of the Ethiopian Economic Association

Ladies and Gentlemen:

In the name of the Executive Committee of the EEA and the Organizing Committee, let me start by formally welcoming you to the 6th general assembly of the Ethiopian Economic Association.

Two years ago, in this very hall, when our association was conducting its fourth general assembly, I was attending the meetings as a novice coming from abroad trying to understand the workings of the association and hoping to know some of its members. After going through the panel discussion on poverty, I was getting ready to leave

the meeting thinking that I had nothing to contribute to the business side of the meeting since I knew only a few people and I could not participate in the elections because I could not in good conscience vote for candidates that I didn't know. One of the few people I knew, a person that I highly respected and admired, asked me to be a responsible member and stay till the end of the proceedings. When out of the blues my name was presented as a candidate from the floor, I furiously opposed the nomination claiming that I was new to the association and the country and too busy with a lot of other things to take such a huge responsibility. This person and friend, who I thought would support my argument for the withdrawal of my name from the nomination

because he knew my situation (he was in the podium running the elections) was in fact arguing against me insisting that I should not shirk away from this responsibility because I owed it to the profession. And largely by his insistence, and proud that such a person had confidence in me to run the association that he cared so much for, I accepted the nomination and became the president.

This person, who played a key role in the formation of the association and became its first president is no longer with us. It is with great sadness, and a terrible sense of loss to our country and to our association, that I am addressing this general assembly in which for the first time Dr. Eshetu Chole is not

participating. Since this is the association's first general meeting since his death, I think it would be appropriate for us to spend a moment of silence to remember Dr. Eshetu before we proceed with today's business; Let us also remember on this occasion our other deceased fellows; Ato Tameru Amenu who was member of the current executive committee, Dr. Asres Workeneh a very active member from MEDAC (Ministry of Economic Development and Cooperation).

Beyond these losses, we are meeting here today to evaluate the past performance of our association and ponder about its future at a time when war clouds are hovering over our country with potentially disastrous effects to our economy and society. As Ethiopians, we know the effects of war. In addition to our collective concern as citizens about the wide ranging negative effects that war would have on our society, we should have a specific professional concern as economists. As professional economists, I am sure you agree with the editorial commentary on the war in the most recent issue of our bulletin where it was said and I quote: "As economists we strongly feel that the economies of both countries can not afford another round of regional conflict although we believe the effect will be worse on Eritrea than Ethiopia. The effect of war on national economies, especially in countries that have no armament industry and have to use scarce foreign currency to acquire them is not limited to the actual loss of life and destruction of property that directly ensue. The psychological effect that war has on domestic and foreign investors, on foreign tourists and the tourism industry in general, the general sense of instability it creates [leading to the abandonment of long term thinking and replaced by short-termism in all walks of life] are very serious with enduring effect on poor economies." It is indeed a tremendous tragedy to cope with such a disastrous war at a time when we need every ounce of our energy to

fight poverty and overall underdevelopment.

Given this understanding of the war, it is incumbent upon us both as citizens and professionals to actively work for a peaceful resolution of the conflict and when that is not possible for a quick and decisive solution to the problem so that we can go on with the more serious and urgent business of economic development which is also the professional concern of our association.

As clearly stated in the constitution of our association, in addition to the promotion of economics as a discipline through effective teaching and research, we are also very much interested in the economic development of our country. With the topic we chose for today's discussion, all of these objectives of our association are directly affected. This is a topic that I personally feel very strongly about and I want to make my concerns absolutely clear. It is my strong belief that the current state of higher education in our country is in disarray. Given the quality of the current crop of our students and graduates, I cannot see how we hope to achieve the development program that the government has initiated even without the pressure of international competition leave alone to emerge as effective competitors in this increasingly knowledge intensive international market place where the most important commodity is no more the availability of natural resources or cheap labor but the skill and motivation of the work force.

Let me briefly elaborate on the above conclusion. But first a word of caution. I do not wish to get into the details of the whys and hows of this problem here. It is not my intention here to provide a complete or even detailed analysis of the causes of the problem in our higher education or what I believe the solutions are. That is both beyond the scope of this address and certainly beyond my competence. My intention here is rather modest. I want to sound the warning bells on this crucial issue

for the academic community and policy-makers, in general terms, and initiate a serious discussion among all concerned before it is too late. For academics to be quite on this issue any more is bordering the irresponsible.

To start with, I do not think this crowd or even current policy-makers need convincing about the importance of human resource development (particularly education) to economic development. In fact, the government acknowledges the importance of education and seems to be committed to the quantitative increment of the availability of education and has steadily increased its capital budget for this sector particularly to primary education. (For the five years beginning 1997, the government has allocated 73% of its capital budget of the sector for primary education compared with 8.7% for tertiary education.) And I have no problem in according priority to the primary sector as such. What I am not sure about in the government's policy is the attention given to the quality of education in general and that of higher education in particular. The government's education Sector Development Program clearly states that its emphasis is in the expansion of primary education, improvement in its quality, and a more equitable distribution of educational opportunities. Of the monitorable targets of the program, the only mention made of tertiary education is an introduction of cost sharing at the tertiary level as a way of "releasing resources to be used in other education sectors."

In the meantime tertiary education, particularly the one I am familiar with, (the social science and humanities) is deteriorating in every sense of the term at a frighteningly rapid pace. I will not dwell on statistical indicators of this decline, although there are many. The decline in the overall quality of teaching cannot be captured in simple statistics although the fact that over 34% of the faculty in higher education are holders of Bachelor's degree or less

is a good indicator. Another obvious example is the alarming increase in class size without any comparable increase in both physical or human power resources. The class size for incoming third year economics students between last year and this coming academic year has increased from about 50 to 107. With this number of students in a class, you might as well forget about class discussions, which could help students to articulate their ideas in the language of instruction or assigning papers which is an invaluable method of teaching students to express their ideas in writing. As we all know, with this kind of student load, the little writing assignments students have to do will not be possible any more. It is possible for a student to graduate from Addis Ababa University without writing a paper until the fourth year senior essay, which is most likely to be a plagiarized one. No wonder that the employers who take our students are complaining about the poor quality of our students. A manager of a bank that hires a lot of FBE students once told me that our graduates could not even write a decent paragraph in English. I do not think that is particular to FBE.

Another problem that seriously undermines the quality of education is the lack of educational material. We all know the kinds of books and journals we have and how old they are. That seriously limits the capacity of not only the students but more importantly the teachers who are teaching these students. At a period when the world has moved more and more towards electronic mediums of instruction and learning, our university does not have a class room where you can show videos. We are still dealing with the blackboard and a chalk. We can give a bachelor's degree in accounting or management where, neither the students nor most probably the instructors, have any knowledge of PC based software applications in their respective fields while the business world, which these students are supposed to join after graduation, cannot function without

these applications.

Even more troubling than the sheer material poverty of the University is the cultural and intellectual poverty of it. There are no university-wide lectures to intellectually stimulate students and faculty save, may be, to the occasional lecture series of Ethiopian Studies. There is no university-wide publication where the university community can discuss issues of relevance to the campus. There is no student-teacher interaction of any sort outside the class room. In an institution committed to teaching students, students do not have the right to look at their final exam papers. Does this make any pedagogic sense at all? I thought one reason we give tests is to make students learn from their mistakes when they see their papers and see where they are mistaken. How could that happen when they can not even see their exam papers? How are we going to produce fair-minded and educated citizens when we don't have fairness in the educational system? One very troubling aspect of our higher education institutions is the overall system of evaluating students. I am not sure what the original logic is but currently, a student's grade does not depend on his/her performance per se. It is on the performance of the other students that it largely depends. It is not enough that you know the material you are studying. It is rather crucial that the other students do not know as much as you. In other words your success depends on the failure of the others. So, for you to succeed, you have to be mean, jealous of your fellow students, with little appreciation of team-work and absolutely self-centered. Imagine what kind of citizens we are producing through this kind of educational culture. No wonder, we have such a hostile and incompetent bureaucracy. An architect, who is a graduate of the building college of our University recently told me that she has a complete aversion to that campus so much so that she can't turn and look at the campus when she is driving by because all the memories she has of

that place are so bad. She strongly believes that she was a relatively nice, friendly and idealistic young woman when she joined the college but when she came out she essentially became a mean and very unfriendly person as a result of the inter-personal relationships between students and between students and faculty members. Is that what we are producing?

These examples are mentioned for purposes of illustration. There are numerous issues affecting higher education that I have not mentioned here but are equally or even more important than the ones mentioned here. We need to talk about issues such as the privatization of higher education, the efficacy of the student evaluation system, the deteriorating quality and morale of the teaching faculty, the notorious administration bureaucracy, and the famous "Master - Slave"¹ relationship between teachers and students.

For those of you that are associated with the university this is a very familiar scenario. I have extensive discussions with faculty in different departments and every one agrees that the situation is really bad. Even policy-makers are familiar with the situation. One highly placed government official once told me that they are having a problem with recruitment from the university because although they get the best students with the highest grades, most of them are not capable of writing a half way decent report. The situation is essentially the same with the business community.

If we all agree that the problem exists and is very serious, what are we doing about it? What should we be doing about it? My assessment of the university above might sound a bit harsh. But that is deliberate. We have to sound the alarm bells loud for us to be heard. That is also why we organized this panel today. To openly

¹This is the term used by the president of the University, Dr. Mogese Ashenafi, in his interview with *Merewa*.

and officially talk about it, acknowledge the seriousness of the problem and collectively (through the joint efforts of the government, the private sector and the academic community) seek a solution to the problem before it gets completely out of hand. We need to get the forum to discuss these issues at the university level, with policy makers, and at the level of the larger community...and soon.

It is important to have literate peasants for increasing productivity in the agricultural sector. But is equally important to have highly qualified agronomists, agricultural economists and other related researchers if we want to sustain this increased productivity. Without any exaggeration, our country's future rests on the quality of its massive work force. As those that have studied the East Asian experience readily attest, what helped these countries achieve sustainable and rapid growth in per capita income in the past 30 years is the tremendous increase in the level of productivity which was primarily a function of the high level of skill of their work force which in turn is a function of their

high level and effective investment in education. In a discussion about African Development: Lessons from East Asia, the foremost expert on the East Asian experience Robert Wade noted:

So we can identify heavy investment in education as the second great driver of East Asian success. The result of this investment was to give Taiwan, Korea, and Japan unusually high ratios of basically skilled to unskilled people, and subsequently, unusually high ratios of skilled to basically skilled people. This made it possible for these countries to produce manufactures for export on a large scale, because these exports require large relative quantities of basically skilled labor. One of the things that figures on the educational level of the labor force [that] do not show is the quality of this education or even whether it is vocational or nonvocational education. In Taiwan, a very high proportion of the population had secondary or tertiary education in science, technology, and engineering....What matters to comparative advantage, especially within industry, is the skill level of the labor force. You can put machines on ships and send them

around the world and you can borrow money to buy them. So a country's (physical) capital endowment is not a key determinant of the kinds of products which are socially profitable to make there. The key determinant, rather, is the endowment of skilled people to make those machines work year after year. [Without such skilled labor force] you can forget about manufactured exports. They won't happen.²

I think I have said more than enough by way of a welcoming address. Let me finally introduce one of the founders and esteemed member of our association who is also the Vice Minister of the Ministry of Economic Development and Cooperation, Ato Mekonnen Manyazewal, to deliver the opening address of the 6th general assembly of the Ethiopian Economic Association.

Thank you

² Robert Wade, *Afterword*, In African Development: Lessons from Asia. Winrock International Institute for Agricultural Development, Arlington, 1991, pp.252-253.

ON QUESTIONS OF QUALITY AND RELEVANCE OF HIGHER EDUCATION

Reflections On Experiences At Addis Ababa University

By Dr. Hailu Ayele, Academic Vice President , AAU

1. INTRODUCTION

During the past several decades, a number of policy makers and scholars have repeatedly, and often very strongly, stressed the contribution of education to national development. We have also witnessed the effect a well directed and managed expansion of education has on economic development in several countries that have recorded admirable and at times enviable progress and growth of their economies. These achievements are basically based on the recognition that the wealth of nations mainly depends on the development of human resources; and the pursuit of policies that enhance the development of these resources at all levels of society.

The availability of well-educated and trained people is a prerequisite not only of socio-economic development but also of national survival in the present highly competitive world. Education is now recognized as a source of wealth and power, and as a weapon against under development in all its forms. In a study conducted almost ten years ago by the World Bank on conditions of Sub-Saharan Africa the importance of education to economic growth was characterised as follows:

To survive and compete in a competitive world on the 21st century, Africa will require not only literate and numerate citizens, but also highly qualified and trained people to perform top-quality research, formulate policies and implement programs essential to economic growth and development. Institutions of higher learning must be made to produce, at affordable and sustainable cost, well-trained people in academic and professional disciplines applicable to diverse African environments.

From the above passage quoted from the World Bank Study, we can isolate several key elements that point to the role and functions of higher educational institutions that have currently become important topics of discussions among policy-makers, businessmen, educators etc. These may be grouped into:

- a) Production of highly qualified and trained people in academic and professional disciplines;
- b) The knowledge and skills of these professional disciplines must be applicable to the diverse African environment; and

- c) These highly qualified people must be produced at affordable and sustainable cost.

For the purpose of the discussions today I will concentrate on the role and function of the higher education sector. What I will attempt to present in what follows is not necessarily a researched study on this education sector, but a reflection on some of the most important issues in higher education based on my own experiences and observations during my work at Addis Ababa University and several studies on the subject conducted within the University.

While the role and functions of institutions of higher learning in a given society is multi-faceted, I will focus on the above three points in relation to the university level education in Ethiopia. My presentation will therefore focus on questions of quality, relevance and cost of higher education.

2. EDUCATION QUALITY

Educational quality is probably the most important aspect of any higher education system. Educational quality is the standard that defines the character and intellectual environment of a university. Despite its importance,

however, it is one aspect of a university that is hard to define and measure since one cannot adequately provide a quantitative measure for gauging educational quality. One important measure of the quality of education is the quality of the university's outputs - graduates, research outputs and public services. However, the quality of the outputs of a university cannot readily be measured like outputs of an industrial production. Assessment of the quality of education is most often subjective. When talking of educational quality government officials, politicians, employers of graduates, representatives of funding bodies and academics have different perceptions and expectations.

In the absence of well established education performance measures that are comparable over time, the discussion of quality in Addis Ababa University will inevitably rely on indirect measures and circumstantial evidence. In cases where there exist competitive higher education systems, like in the U. S., it might be possible to make relative comparisons about the outputs of different Universities. Even such comparisons are fraught with danger and may lead to false conclusions since Universities that attract only the brightest students need not contribute very much to their qualifications upon graduation. Universities that are not so highly selective in their admission criteria will have to provide more to their students if they are to be competitive with the likes of the former.

The most interesting evaluations of a university or any higher education system is to be found at its borders where interchanges between societal expectations and performance of higher education take place. In this connection entrance conditions to universities such as selection criteria, role of certificates, social background, regional disparities, the interactions between the universities and the world of work and the evaluations of employers of the products of higher education systems are some of the basis on which evaluations

are made. These are important benchmarks against which performance of higher education systems can be measured in addition to the constant evaluations of the processes that take place inside these institutions. Use of such criteria will of necessity involve studies such as the correlation of the selection criteria with performance of students in the university and tracer studies or employer surveys. Such studies have not been conducted by Addis Ababa University or any of its constituent units.

One of the paradoxes of the quality of graduates of Universities is that they are at one and the same time considered "over qualified" and "under-qualified" to perform their professional work in their specific assignments after employment. On the one hand they are said to possess a wide range of knowledge and on the other they are sometimes or somehow unable to fulfil their specific duties. Because of the latter, universities are often blamed for neglecting the needs of the labour market for qualified human resource.

Such ambivalence about the employability of university graduates stems from the perception of university education by employers and the lack of continuous interaction of university departments with the major employers and their graduates. The other reason for mismatch between the labour market and the higher education systems is the variance in the speed of change in the two sectors. The changes in the labour market are faster and closely follow the performance of the economy, whereas university curricula and modes of teaching take longer to adjust. The solution to this disparity requires action from both sectors. Universities should make study of the needs of the labour market and their graduates as one of their important duties, while employers should provide opportunities for new graduates that would enable them to relate their personal potentials in their knowledge, skills and behavioural orientations to the specific tasks of

their professional work.

Even though there are no direct indices for the measurement of the quality of the outputs of a higher educational system, there are several factors that contribute to the educational quality at a given university. In general terms, the major indicators of educational quality are the staff (Faculty) profile, staff-student ratio, the teaching/learning resources, the quality of the students that enrol in the university, the students attrition rate and the research outputs.

I will briefly discuss some of these factors briefly in relation to our experiences at Addis Ababa University.

2.1 University Enrolments

Enrolment at Addis Ababa University has significantly expanded over the last two and half decades. Enrolment at AAU increased from under 5000 in 1977 to approximately 11,000 in 1987.

Rising enrolment without a commensurate increase in funding have produced a situation where maintenance of education standards has become a difficult task. For example, students are faced with shortage of textbooks and other reference materials and are forced to depend heavily on lecture notes for their study.

The lack of qualified and experienced teachers have often led to heavy dependence on part-time instructors in some areas which has eroded the quality of teaching.

In addition to the numerical expansion of enrolment, the quality of university teaching has been severely affected by the quality of the students who enter the university. Because of the general decline in the quality of teaching in the secondary schools, students arrive at the university ill-prepared to pursue higher education. Deficiencies in language ability and inadequate subject matter knowledge of the freshman class have tended to make first year teaching at the university a means

of making up for the inadequacies of high school preparation.

2.2 Staff Development & Stability

At the time when the varied schools and colleges were put together under the umbrella of Haile Selassie First University, the majority of the faculty members were foreigners. Beginning in the early years of the university a vigorous staff development plan was launched mostly with substantial assistance from the United States government acting through the USAID and AFRAD programs. Qualified graduates were recruited to pursue post-graduate studies in U.S. and some European Universities. The result of this sustained staff development effort was the rapid Ethiopianization of the faculty in the University. Already by 1972/73, 60% of the teaching staff were Ethiopians, even though most of them were in the junior rank of lecturer.

In 1972 the staff/student ratio was approximately 1:11. In the same year the qualification mix of Ethiopian academic staff was such that 26 percent had first degrees, 46 percent had second degrees and 28 percent had Ph.D. or equivalent degrees. Ten years later in 1982 the student ratio was 1:14; however the qualification mix of Ethiopian academic staff has deteriorated such that 44% were first degree holders, 30% had the second degree, 20% had Ph.D. degrees and the rest had diplomas. Of course, these numbers need to be interpreted carefully since the number of the teaching staff has almost doubled during this period. Although this proportion has currently improved, there remains much to be accomplished in this regard.

To deal with these problems, graduate programs were instituted in several disciplines in the late 70's in spite of financial and other constraints. These graduate programs have contributed significantly to the staff development of the university.

The greatest problem has been the inability to attract, train and retain qualified academic staff. Declining salaries (in real terms), deteriorating working and living conditions and sometimes unsupportive political environment have combined to promote large number of qualified staff to seek better opportunities elsewhere.

2.3 Education Inputs

Education inputs such as books, library services and laboratory equipment and supplies have also constrained the teaching/learning process. Books are perhaps the most important resources that would help to raise student performance and academic achievement. Furthermore, they are also cost-effective in promoting and upgrading educational quality. In addition to shortage of books, most of the books available are outdated.

To overcome this lack of books, especially textbook, the university has pursued a policy of encouraging qualified staff members to prepare teaching materials and textbooks. Staff members have recently published a significant number of teaching materials and textbooks, mainly in the science and engineering disciplines.

In science and engineering studies, laboratories and their facilities are vital components that are required for maintenance of quality education. With increasing enrolment in these fields of study, laboratories are overcrowded, their equipment are deteriorating and getting obsolete and supplies have been dwindling. Whatever adequate equipment these laboratories have is acquired through grants and donations.

2.4 Curricula

The development of curricula has not been able to keep pace with changes in society, the teaching/learning environment, the quality of students enrolling in the university and opinions and views of the major employers.

3. RELEVANCE AND OTHER FACTORS

3.1 The Ability to Resolve the Tension Arising from Different Perceptions about What Constitutes Good Performance by the Teachers and Student

The question of whether the system of performance evaluation used by the University meets the expectation of the society it serve is an important one and need to be addressed in a meaningful way.

Judgement of what constitutes good performance is closely linked with judgement concerning relevance. Perceptions about what constitutes good performance are also functions of what the instructor perceives and/or determines to be important and the academic background of the instructors and students. These relate to

- Lack of exposure to the state of the art that sometimes leads to unrealistically rigid standards of performance.
- Inability to bring out the best in the students by generating sufficient interest to learn.
- Student performance measures are not always in congruence with expected standards, their nature and scope do not fit with the objectives of the teaching in general and the particular course in particular.
- Consequently, cheating in examinations, grade inflation, credits for inadequate work and large number of students needing remedial work have become some of the questions that need urgent attention.

3.2 Efficiency and effectiveness in the use and allocation of instructional time and other resources. This in particular refers to how the hours allocated to a given course are utilized and managed to yield higher achievements and the degree of balance between theory and practice.

This is mostly exemplified by

- Definition of a credit system
- Course delivery and emphasis on topics of relevance
- The contribution of the student in learning a given course
- Efficiency with which the goals of a given course are met
- Integrating the contents of the variety of courses taught.

3.3 Extent to which the University has been able to keep global standards. The question here focuses on, among other things, the extent to which it is engaged in a reciprocal interaction with foreign academic institutions, the academic qualification of its faculty etc This issue is related to:

- the need for exposure to appropriate and varied academic traditions
- the effective use of external examiners where applicable
- exchange of faculties with sister institutions and breaking the sense of isolation.

3.4 The social and cultural environment in which students live and work is an important determinant of quality of education. This refers mainly to the opportunities and facilities the university provides for extra curricular activities.

The university experience is not only classes, assignments, term-papers and examinations. It is also the social interactions outside class and the experiences gained through engaging in social and cultural activities of ones choice. The university atmosphere needs to be made lively through public lectures by politicians and prominent professionals, debates, competitive sports, a variety of student organizations and cultural events such as music, plays, poetry reading etc. These activities must be recognized as important ingredients of an effective learning environment.

3.5 Pockets of excellence

In spite of the array of problems and constraints I have outlined above, Addis Ababa University has developed excellent departments that compare favourably with their counterparts in other major universities. These have become islands of excellence and can be found, in varying degrees, in most of the major faculties and colleges of the University. They are paragon of excellence and point to what can be achieved by sustained and dedicated work despite the adverse conditions under which they are operating.

The pockets of excellence are characterized by the high proportion of qualified staff, well-established and successful post-graduate programs and relatively high research outputs. They have been able to attract and retain qualified staff and research and other funds. They have also been able to well organize their teaching and research resources.

In an assessment of the role and functions of Addis Ababa

University, many observers tend to ignore or forget the achievements of such departments and focus only on some of the shortcomings. In truth, however, we need to recognize their efforts and accomplishment that have made the balance sheet of the university's performance positive inspite of some of the constraints I have referred to above.

4. BY A WAY OF CONCLUSION - THE WAY AHEAD

In the foregoing discussion an attempt to identify the major impediments to the provision of quality education that is relevant to the developmental needs of the country has been made. From this, the conclusion that a major revitalisation and rehabilitation of AAU is required to achieve better results that are sustainable over time is inescapable.

In an effort to initiate the required revitalisation of the University, AAU has been engaged over the last one year, in addressing these issues. This effort is mainly directed at elaborating the major strategic mission - aims and objectives - of the University in relation to the needs of the economy and its development.

Within the context of the strategic aims and objectives of AAU, the revitalisation of the University is being addressed on several fronts and levels. This exercise has sought the active support of not only external agencies and organizations but prominent professionals from government agencies, international organizations and the business community.

The major component of this effort is the review of the programs in all departments and the internal reorganization required to meet the challenge. The output of this work will hopefully establish achievable targets in major areas of activity that seeks to address the identified

problems. Specifically it will seek to achieve.

(a) Staff profile and mix that will meet the educational and research objectives of the University in a specified number of years.

- proportion of Ph.D.'s, Masters etc.

- attract and retain qualified personnel

- Institute policies, procedures and better working conditions to ensure staff stability and constant improvement of quality through proper incentives for good teaching and research.

(b) Take steps to improve the quality of students embarking on University studies

- device better tests for admission

- provide effective remedial programs where necessary and possible

- support the lecture system with a systematic program of tutorials and better supervision of student work

- Improve the system of advisorship within departments.

(c) Draw up an investment plan so as to improve the learning resources such as books, equipment and supplies [at least 75% of course to have text, 50 books per student in the libraries

etc.]

(d) Expand the use of new technologies such as computers, CD-ROMs, networks etc.

(e) Review curricula in all departments with emphasis on contents and relevance. This to be completed in a specified time.

(f) Increase the proportion of the recurrent expenditure for direct instructional purposes through additional allocations (own resources) and improved efficiency in provision of administrative services.

(g) Revitalize research by addressing current inadequacies in

- institutional and organizational arrangements

- financial allocation

- fixing research priorities and modalities of their review

- incentive for research output

- creating better dissemination of research findings

- improving linkages with governmental (local or national) bodies, the business community.

(h) expand and strength post-graduate programs

(i) improve the social and cultural conditions of the students

(j) make faculties and

departments more responsible and accountable for their administration functions and development.

I believe the educational quality problems at AAU can be removed and reversed. However, the enormity of the tasks to achieve this objective suggests that the University may not be able to accomplish it alone. While a significant proportion of the required measures to improve and sustain educational quality can be undertaken by the University alone, it would need the support of government and the society at large, especially professional bodies like your association. We at the university believe that there is a definite commitment by government to expand higher education and assist existing ones to remove their major constraints so as to create an environment in which quality of education can be strengthened.

I also hope that support would be forthcoming from the business community, and professional societies such as yours as AAU strives to improve linkages with the community in an effort to meets the goals I have outlined above.

I hope that in the future the University in cooperation with professional societies such as yours would strive to create fora in which specific issues in higher education may be discussed in detail and future actions may be charted to assist the university achieve its stated goals within the context of its strategic objectives.

Thank you all.

HUMAN RESOURCE AND DEVELOPMENT

Some points of historical and conceptual perspective

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Ministry of Economic Development and Co-operation

1. HISTORICAL PERSPECTIVE

Various resources are needed to achieve development - natural, financial, physical and human. Of these, human resource is a special resource because it is a resource which makes use of the others and turn them into resources. Human skills and knowledge are applied to manipulate other resources to produce goods and services.

Historical development experiences and analyses of growth models have ascertained the crucial role of human resources in economic development. While physical capital, based on advanced technology, is no doubt an engine of growth, the human element is the determining factor not only in the formation of physical capital itself but also in transforming it to raise productivity as well as improving and sustaining it.

When a country is underdeveloped, it means, that it lacks adequate capabilities to fully meet all its material, social and related needs. These needs are satisfied when a society has adequate capabilities to master its surrounding environment, capabilities which are found only in its human resources. All other resources, including natural and external resource flows, can remove development bottlenecks only if they are utilized and made productive through human resources.

The level of development across countries differ, according to some authors, because they have different levels of resources endowment. Some countries have high level of natural resources, like countries in Africa, but insufficient skilled human resources. Some countries have high level of financial resources, like the OPEC countries, but are found at low level of development because they do not have the necessary skilled human resource. Societies with similar development potential owing to their natural resource endowments have developed, therefore, very differently due to differences mainly in their human capital.

Ethiopia was at an advanced stage of development at earlier time. Historical sites, monuments, scriptures and churches are testimony to this. Early travelers and explorers have also admired and confirmed how advanced the Ethiopian society was in terms of social organization, farming system, administration, etc. during the middle ages.

However, little change is made over centuries. Agricultural techniques, for example, had probably changed little since medieval times. While countries in the North passed through a number of basic scientific and technological innovations and consequent industrialization, nothing seems to have happened on this part of the world.

Historical Legacies that impinged on the life of the people:-

Lack of Peace and Security: Many historians argue that the history of Ethiopia is largely a history of warfare and turbulence (Pankhurst, R. 1990). It is said that, "when Ethiopians are not fighting against foreign aggressors, they are likely to be fighting against each other".

Dictatorial Administration: The country was historically ruled by a hierarchical system ranging from highly dominant monarch to regional nobles and provincial chiefs. At each level of governance, there was a multitude of soldiers, dependents and servants whose sheer number was a great burden to the common people. The people were deprived of power and subjected to heavy taxation and tribute transfer. This was a major cause of frequent subordination and consequent instability (Pankhurst, R. 1990).

Natural and human made calamities: Deforestation which resulted from both population growth and the development of agriculture and pasturage, had a significant impact on economic and social life, as well as on the ecology. This led to drought, which often was followed in turn by famine and epidemics. The land area covered by forest, for example, has declined from 40 percent at the beginning of the century to a mere 2.3 percent

currently. Ethiopia has also a topography which is considered by many a significant barrier to transport and communication and, therefore, a constraint for development.

Little incentive to produce more: The small farmers in Ethiopia were not only heavily taxed and obliged to pay tributes, but also seriously affected by the exaction of the soldiers for whom they were obliged to provide food and shelter. Hence, the small farmers had little incentive to produce more and therefore little desire to improve their production techniques. Craftsmen and blacksmiths were not only regarded with distrust and fear but were subjected to persecution and oppression.

1.1 Different approaches pursued for achieving development:

Emphasis on economic growth (1940s & 1950s)

Following independence African and Asian countries had great desire for achieving fast growth. During the 1940s and the 1950s development was defined primarily in economic terms. Many social scientists assumed that improvements in social welfare would accompany economic growth. However, economic growth, first, proved difficult to come by and, second, even when some success was achieved, it was usually accompanied by increasing income inequality, problems of unemployment and deterioration in living conditions (especially of low-income groups). Hence, the 'economic growth-only' approach was increasingly attacked and criticized and a shift of emphasis occurred towards "basic needs" and "redistribution with growth" approaches.

Emphasis on social service (human resources) development (1960s & mid-1970s)

In the 1960s ignorance, disease and poverty began to be seen as the main bottlenecks of development. In addition to promoting economic growth, governments began to be concerned with the expansion of social services.

The concept of human resource arose during this period mainly as a means to achieve economic growth. The emphasis on expansion of social services was, however, due to the need to satisfy the growing demand of the rapidly increasing population which put pressure on the newly formed governments.

Emphasis on adjustment and economic growth (mid 1970's and 1980's)

Beginning in mid-1970s countries in Africa, facing a rise in international oil prices and deteriorating prices for their export items, were driven into deep economic crises. They were consequently forced to undertake stabilization and structural adjustment measures which were initially implemented without due regard to their social implications.

During this period the focus was once again on pure economic-growth and this has resulted in deteriorating social conditions in many countries. Beginning with UNICEF's agenda of Adjustment with Human Face in 1987, the social dimensions of economic reform programs started to be emphasized.

Emphasis on social development (1990s)

Once again emphasis shifted from pure economic or income growth to social dimensions of economic measures, this time more radically so, in that social goals have become the priority goals of development.

Because issues of poverty reduction, social justice and popular participation gradually became the most important issues in development, the definition of development itself began to be expressed in terms of the

development of people. Hence, human beings are currently defined in terms of the ultimate goal and end of economic development rather than only as resources or means to development. Human resources encompass, therefore, labor as a factor in and a goal of economic growth. Hence, a conceptual shift occurred from human resource to human development.

1.2 New dimensions in the recent approach to development

African leaders focused on eradicating ignorance, disease and poverty in the 1960s. They came again back to the same approach in the 1990s. What is the guarantee for success this time?

The following issues constitute new dimensions in the recent development approach:-

- Democratization process is considered as an essential element for attaining development. This includes - political pluralism and human right issues;
- The free play of market forces is emphasized;
- Popular participation is considered an important strategy and, consequently, decentralization measures are encouraged;
- Social justice and equity considerations are emphasized;
- Focus on indigenous policy formulation and ownership of development programs implementation is being made;
- Partnership with global partners is encouraged.

2. CONCEPTUAL PERSPECTIVE

In general, the following reasons are cited as explanations to the growing interest on human resource development:-

- Developing countries' attempt to achieve fast economic growth by concentrating on capital accumulation was a failure. Even

when some success was achieved in attaining economic growth, it was usually accompanied by deteriorating living conditions for the low-income population;

- Newly independent countries' desire to replace colonial skilled expatriates with nationals;

- Studies of the economic growth of industrialized countries showed that only a small proportion of the economic growth could be explained by the increase in the capital stock and the labor force. Some of these studies suggested that improvement in the quality of the labor force, as represented by education levels, was a factor contributing to some of the additional growth;

- Increasing understanding that many economic programs failed because they were not based on considerations of human or social factors;

- High population growth has also resulted into an increased pressure on governments to expand the availability of social services. Survival of governments in many African countries depended on governments' ability to satisfy the needs of their population.

Human resource emerged and developed, therefore, as part of economic development planning.

2.1 Two approaches for human resource planning:

- *human resource requirement approach*: Comprises projecting the composition of final demands for various types of output and, through input-output techniques, translate these demands into the implied inter-industry structure of production.

Economic plans ⇒ identification of critical human resource required ⇒ education plan

- *Rate of return or benefit-cost approach*: Human capital theorists, based on evidence that investment in education has high rate of return, approached the issue by applying the theory of investment in capital to human factors of production. This is based on the belief that resources

should be invested where the rate of return to society is the highest.

Both approaches require an understanding of how the labor market operates. So far, the central rational for human resource analysis and planning activities is to avoid 'critical surpluses' or 'critical shortages' of workers at various levels. Other goals that planners can consider include equitable income distribution, improvement in quality of life, etc.

2.2 Rate of Return: Expenditures on improving human capabilities have the potential to yield a return to society no less than the return from physical capital formation.

The benefits of human resource development are put as follows (Keith Griffin, 1989: pp. 232-235):-

- **A healthy and educated population is an end in itself**; it is one of the goals of development;

- **Human capital is a direct input into the production process**. For example, a high incidence of morbidity lowers the productivity of labor and reduces the number of days worked. Hence programs which result in improved health are likely to have a positive impact on the level of output. Similarly, the more skilled the labor force is the higher its productivity will be. Skilled labor is likely to be able to work faster, with less supervision, with fewer errors and can produce goods and services of higher quality.

- **Human capital is complementary to physical capital**. Machines require skilled workers to operate on them. Modern agriculture requires a literate farm population: people who can read instruction on fertilizer bag, absorb information contained in some literature distributed by extension agents and understand the contents of a repair manual for agricultural equipment. Modern services (banking, insurance,

tourism) require numeracy - people who can make simple calculation. A country that emphasizes physical capital formation while neglecting its human capital will soon discover that the return on physical capital is low.

- **Human capital formation is necessary for technical change**. It is difficult to introduce improved methods of production, new ways of doing things and more complex and sophisticated products unless the labor force have sufficient training and education to enable them to understand what is being asked of them (or offered to them). Investment, human capital and technical change are closely interlinked.

Studies on returns to education have provided the following common results:-

- The private rate of return to all levels of education is normally extremely high, reflecting in part the subsidy to the sector.

- The social rate of return to all levels of education, although consistently lower than the corresponding private return, is generally no less than average rates of return on fixed capital investments.

- The estimated social rate of return is generally highest at the primary level and the lowest at the tertiary level of education.

- The social return to expansion of primary education depends largely on its effects on the productivity of peasant farmers. It is more effective in a modernizing environment than a traditional one-access to credit, extension services, new seeds, etc.

In discussions about human resource, health and education are usually mentioned, but what is no less important is the cultural aspect that determines peoples' attitudes and values. Human resource constitutes not only the sum total of skills and knowledge of a given society but also the right attitude and values of that society, including motivation and a sense of national

identity. This brings us to the domain of cultural factors in human resource development.

2.3 What are the defining characteristics of HR between the developing and the developed countries?

Difference in lifestyle between the population in developing and the developed countries:

- **Time sensitive:** In Developed Countries, people are highly conscious of time. People consequently plan and utilize their time efficiently.
- **Motivation:** People in developed countries are highly motivated and have a sense of purpose in their lives.
- **Skilled labor force:** The level of educational achievement in developed countries is extremely higher than the developing countries.
- **Positive attitude and vision:** Optimism, hard work and determination are the qualities of the people in developed countries.
- **Strong social cohesion:** People are highly conscious of common benefits and consequently have strong national identity.

The relationship between the qualities mentioned above and level of development is an important point to ponder about. The lifestyle in developed countries reinforces these qualities. A good part of the above characteristics are missing in developing countries.

As discussed earlier, without human resource in the right quantum and of the right types, other resources - natural, physical, capital - by themselves cannot lead to development. Wherever the bottleneck to development may be located, human resources are the only instruments that can have them removed. Social cohesion and stability depend on the attitudes of the members of a given society towards the common good.

Countries in Asia mainly, China, Taiwan, Korea, Hong King and Singapore have historically attached great importance to education and were able to develop successfully. Countries, which have emphasized industrialization, such as Brazil and Pakistan, have done much less well.

3. THE CASE OF ETHIOPIA

The human resource base of Ethiopia is far too weak to sustain socio-economic development.

- There are far too few experts in science and technology and even fewer researchers involved in scientific and industrial research & development (R & D).
- Not enough specialists exist to take on the task of mechanization and modernization of agriculture and the manufacturing sector.
- Currently only one-fourth of primary school age children are in primary school. Three-fourth of the children in Ethiopia do not go to school. This is very alarming especially considering the implications to the future human resource capacity of the country.
- Qualities like positive attitude, awareness of common benefits, respect for individual freedom,

MIDROC in Ethiopia, is a good example how we lack the necessary human resource base - its management, construction, etc. are being run by foreign nationals. Another example is the construction of the Ring Road for Addis City, for which we needed to bring Chinese experts in the field. Still another example is the Nile River. We have used very little of Nile's potential. This demonstrates natural resource by itself can hardly be called a resource. Lack of human resource capability at regional level following the decentralization measure also necessitated the opening of the Civil Service College.

openness, sense of purpose or motivation, are found at a very poor state.

3.1 Causes of Human Resource Underdevelopment

Human resource development requires a conducive environment in all spheres of life including economic, social, cultural and political. The following are indicators of non-conducive environment (lack of motivating factors):-

- Economic decline before the transition period led to a low level of moral on the part of the population;
- Undue exploitation results into little incentive to increase productivity;
- Culture that reinforces wrong values - submissiveness, conformity, etc-stifle individual creativeness and motivation;
- Lack of adequate nutrition;
- Lack of healthy environment;
- Lack of opportunity to get formal education;
- Lack of freedom of self-expression, association constitute a barrier.
- Experience suggests that local people will not be motivated if group activities are both controlled and taxed by government. Perhaps the effective role of government is to provide information and an organizational framework, to ensure that the incentives are right, and let the people do the rest.

3.2 Issues and Challenges:

1. Using existing resources efficiently

The search for relevance: Education is too expensive if the large number of youth go through parts of or the entire educational hierarchy only to discover when they leave to enter the world of work that they do not possess the skills and knowledge required by employers. The education system and curricula need to adequately respond to the needs for the development of agriculture, industry science and technology,

etc. It should be able to produce qualified people with scientific and technical skills.

- The growing problem of educated unemployment also requires serious and immediate attention for it represents a big waste of human and financial resources. It represents huge loss owing to public investments through education, health and other social services.
- Flight of skill to developed countries. Measures need to be taken to arrest and if possible reverse the trend in brain drain.
- Programs of retrenchment. Some African countries acknowledged a certain amount of redundancy among their staff. It is required, therefore, a program of redeployment or retraining so that the skills being done away with are not left idle.
- The management of the workforce should adopt supervisory and personnel management practices that would motivate the worker and bring about greater efficiency and increased output. Demotivating factors such as nepotism, ethnicism, religious biases, etc. should be identified in the management of the workforce and rooted out.
- Skills available may have become obsolete in the face of new development challenges and opportunities. Training and staff development systems have a major role to play in this.

2. Increasing resource allocation to relevant sectors

- Expanding knowledge and skills would entail more cost: Governments and educational

institutions need to mobilize new sources of revenue generation such as levying an education tax on business enterprises, increasing self-reliance in local training institutions and staff, encouraging the local production of textbooks and teaching aids and equipment so as to reduce the demand on foreign exchange resources and stimulate at the same time income generation locally. Many sources of foreign exchange leakage in the education sector need to be sealed off. Educational institutions could themselves be encouraged to be semi-self-financing by engaging in farm and industrial production and service-rendering activities, profits from such activities could be ploughed back into the development of program, structures and infrastructures.

- The development of human resource requires tremendous support from a wide range of government institutions: education, labor, health, local government, industry, etc.. and these institutions need to be strengthened.

3. Developing the right attitudes and values

Focus need to be given to cultural development in terms of encouraging positive attitude and values among the people. The mass-media, theater, documentary films, sport, mass campaign, etc. can be used to inculcate feeling of national identity and common benefit, sense of purpose and motivation, etc. in the minds of people. The youth must learn respect for the rights and

property of individuals and adopt constructive rather than destructive behavior, and a love of self, community and nation. The spirit of self reliance must be cultivated among the young to reduce the pervasive feeling of helplessness in the search of solutions to problems of day-to-day living. The youth must become job-creators rather than job-seekers.

During economic decline, mismanagement and misapplication of public resources occurs. Robberies, theft, vandalism, assault, drug abuse, alcoholism, prostitution, etc. could increase dramatically. Such social disequilibria can be avoided through encouraging appropriate values.

Public sector employees ought to be made more development conscious so that they are more effective as facilitators rather than be unwitting obstacles in the development process.

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HUMAN RESOURCE DEVELOPMENT

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It is really a great pleasure for me and I feel honored to be one of the panelists of the discussion on "Human Resources Development" which is quite an important topic and the one requiring an intensive research. I was always looking for this kind of opportunity. My comments and suggestions will be, however, based on my personal observations and comments usually received from the business community. So, my speech will be very short and to the point.

I don't really know where and how I should start as an introduction, but since I represent the business community, I think it would be more appropriate if I could start by stating the role the business community plays in the national development.

I say the relationship between the government and the business community is like the relationship of a married couple. If we take the land as a house, the government builds the house and it is the business community that makes the house a home. With this opening remark, I will then try to present some of the observations.

Change begins with people who are motivated to make things happen. We should feel that managing human resources is equal to managing human talent. There is a need to build on people's strengths, using teamwork to balance individual weaknesses, designing and implementing personal policies and practices that bring out the best in people.

Then employers always want to find the right persons for their

organizations and we should be able to help them build their personal capacities so that they can generate and implement ideas, and deal with new challenges, individually as well as in teams.

Societies need institutions to perform the tasks they take upon themselves. Institutions are dynamic by nature, they change internally and externally along with the developments that take place in a society. They have to accept the core activities to suit the needs of their environment. They have to clarify the national goals and these institutions have to help in establishing an environment in which people can fully develop and implement their capacities.

Coming to our country's present conditions, we are currently experiencing a radical economic transformation, i.e. we are moving from a command economy to a market economy. Under the command economy, graduates were centrally placed by the government but now employment is not the major concern of the government.

Under the market economy, the private sector is the major source of employment opportunities. We then have to adopt a balanced investment strategy for education. When it comes to business education in Ethiopia, the coverage is limited, as a result, the quality and the relevance of trainees are low. In fact, we can say that until recently it has been neglected.

Training or education has a central role in the development of human resources. The educational system

is not well tailored to the needs or demands of the nation. It does not simply equip the graduates with the knowledge and skills required for an immediate employment because it does not help them develop the proper concept of productivity and appreciate what it means and what it takes to produce effectively and efficiently.

The educational system is unable to satisfy the small demand of the nation specially in the field of commerce. We can presently observe the skill imbalance in the national economy and much remains to be done and calls for more attention.

The educational system, in the field of commerce, at all levels, suffers from low quality, lack of relevance, and also the inability to provide the business community with the needed number of newly skilled personnel. As a result, the government institution remains as the main source of skilled personnel to the private sector.

For example, if we look into the newly established private banks, their main source of skilled personnel is the Commercial Bank of Ethiopia.

The lack of sufficient attention to seek solution to this kind of problem in time has an adverse cumulative effect of high rate. Training needs frequent assessment and the integration of demand and supply of graduates. Relevance of training to the needs of the nation as well as the private employers at large needs utmost attention.

There is skill deficiency of the trainers themselves. They have to be well trained so that they can be well equipped with the right approach and methodology. Otherwise, the overall low educational level and lack of training of the academic staff can contribute to the lower quality of training output.

Today Ethiopia faces the challenge of providing full employment to the available work force and maintaining a healthy economy at the same time. Unemployment has become one of the greatest social problems of our times.

The work placement is no more shouldered by the central government and the current change is towards a labor market that operates through the market forces. Trainers have to purpose according to the demand oriented training practice. New graduates must acquire certain qualification to meet the demand and get employed.

It is high time, therefore, for training institutions to come face to face with

the unfolding reality and seek an integrated solution by incorporating the business community in the analysis of human resources development.

In conclusion, there is quite a big demand for skilled human resource in the private sector. Therefore, it is time to give a special attention to the following recommendations.

- There should be a restructuring of the educational system at all levels.
- The curricula have to be fully developed based on the needs of the employing sectors.
- There must be a proper linkage between the training institutions and employers as well as trainees.
- The standard of teachers at all levels should be raised through intensive training.
- There must be a strong

correlation between the national investment in education and the economy.

- Schools have to prepare people for the working life, i.e. they have to help in establishing an environment in which people can fully develop and implement their capacities.
- The slowness in introducing strong training program in business has to be reversed because the weight given to the business training does not match the importance of the field.
- The programs have to be strengthened by local case studies so that they could help the trainees to simulate some relevant situations.
- The training exercise has to be more of practical than to be only academic which will tend to become theoretical.

ጋሼ እሸቱ አልሞተም

(ክፍል ሁለት)

አብራር ሱሌማን

ኢኮኖሚክስ ዲፓርትሜንት፣ አዲስ አበባ ዩኒቨርሲቲ

ጋሼ እሸቱ፣ በመጽሀፍ ቀበኛነት ሳይወሰን፣ ከሴቱ ተከርቸው የኢትዮጵያን ችግር በኮምፒውተር ሞዴሎች ጋጋታ እልባት በመስጠት ብቻ ሳይገታ፣ ህዘቡ ውስጥ ገብቶ፣ ለህዝቡ ችግርና ሰቆቃ እራሱን ጎተራ በማድረግ፣ አብሮ መሰቃየትን የመረጠ

ለመሆኑ ዋቢ ማፈላለግ አያስፈልግም። እጅግ የጋለና የደረጃ የሀገርና የህዝብ ፍትር ስሜቱንም በብዙ አጋጣሚዎች ሲገልጽ ኖሮአል። ምንም እንኳን ሁሉም ሰው አገሩን ቢወድም፣ ጋሼ እሸቱ ግን አብዝቶ ነበር የሚወደው። የጋሼ እሸቱ ንግግሮችና ጥናታዊ

ጽሁፎች፣ በጥንቃቄ ላስተዋላቸው፣ ከግል ጥቅሙ ይልቅ ለሀገሩና ለወገኑ አስተማማኝና ዘለቄታዊ ፋይዳ ያለው ለውጥ የማምጣት ዕኩ እመነቱንና ፍላጎቱን ነው የሚያንጸባርቁት። ከሁሉም ነገር በላይ በቅድሚያ የሚያነጣጥረው፣ በወገኖቹ እጅግ

አስከፊ ድህነትና ዝቀተኛ የኑሮ ደረጃ ላይ ነው። ይህንንም እንዲህ እያለ ነው በአፅንኦት የሚገልፅልን፡- "Our starting point ... must be a recognition of the disastrous state of the Ethiopian economy and the extreme destitution of our people."

ገና በለጋ ዕድሜው ጀምሮ፣ ለኢትዮጵያ አዲስ ሥርዓት መስፈን በብርቱ ከታገሉትና ከትግሉም መሪ ገረት ተማሽ ከነበሩት አንዱ ጋሼ እሸቱ እንደነበር ያደባባይ ምሥጢር ይመስለኛል። የቢያን መከረኛ ትውልድ ምጥና ፈተና ምናልባትም ከማንም በላይ ቀምሷል። ገሚሱን ረሚም፣ የተረፈውን ደግሞ ሽባ አድርጎ ካስቀረው የደርግ ጭፍጨፋ ከመርፌ ቀዳዳ በጠበበ አካላት ሾልኮ መውጣቱን ባስታወሰ ቁጥር፡- "ለጉድ የጎለተኝ" እያለ፣ በአርምም የተሰውት ጋደኞቹን በማሰብ፣ እዘውትር ይቆጭ፣ እንዳንዴም ይበሳጭ እንደነበር የሚታወቅ ነው። የለውጥ ፈላጎትና አራማጅ ብቻ ሳይሆን፣ ከፍልሚያው የመጀመሪያ ረድፍ ከተሰለፉት ያደባባይ ተዋናዮች አንዱና ግንባር ቀደምም ነበር። ለአብነት ያህል፣ የደርግ ከህደትና ጭካኔ የተሞላበት የፖለቲካ ሄራፊ፣ ለሀገሩ ሲል የዋህ የሆነው ጋሼ እሸቱን እንዴት ጠልፎ ከወህኒ እንደከተተው ከራሱ እንሰማ፡- (በአንድ ወቅት አጃምሮ ከተባለ የግል መጽኔት ጋር ካደረገው ቃል ምልልስ የተቀነጨበ)

ነገሩ እንዲህ ነው። ሻለቃ መንግሥቱ ስለ አብዮቱና ስለአገራችን ጉዳይ ውይይት ማድረግ ይፈልጋሉና እንድትመጣ ተባለኩ ... ኹድኩ። ... ከሰባት ሰዓት በላይ የፈጀው ውይይት ቀጠለ። ጥያቄና መልስ ይበዘዋል። ሻለቃ መንግሥቱ ይጠይቃሉ፡ ሌሎቻችን እንመልሳለን። ... አስቀድሜም ከደርግ ጋር የመሥራት ፍላጎት አልነበረንምና ለዚህ ሥራ እንዳልታጭ በተለያዩ መንገድ ሞከርኩ ግን ብዙም አልተሳካም። የግድ መሆኑ በሻለቃ መንግሥቱ የተነገረኝ በመሆኑም እንድ እግራን የጊቨርሲቲ እንድ እግራን ቤተ መንግሥት አድርጌ ቆየሁ። ... ሁለት ምርጫዎች ከፊት ተደቀኩ። መሥራት ወይም አለመሥራት። ቢሆንም ሥራ ትቶ በሰላም ለመቀመጥ ሁኔታው ስለማያመችና ላለመሥራትም ስለቆረጠኩ አገሪን ጥዬ ለመኬድ ተገደድኩ። ወደ ጂቡቲ። ከደርግ ፊት ሽሽ ለማለት ስል ብቻ። ... በደርግ

በኩል ለፐርፓጋንዳው አመቺ መስሎ አልታያቸውም ይመስለኛል እንደመለስ ተፈለገ። ... ከሻለቃ መንግሥቱ የተላከ የቴሌግራም መልእክት አሳዩኝ። 'ወደ ሀገሩ መመለስ ይችላል። ጥያቄውን ላማላለት (ከደርግ ጋር ላለመሥራት የጠየቀውን) ቃል ገብቼለት ነበር። እሱ ግን ቸኮለ። ቢሆንም ሀገሩን ጥሎ እስከመኬድ ያደርሰዋል ብዬ አልገመትኩም። አሁንም ቢሆን ምንም ዓይነት ተቃውሞ እንደማይደርስበት በኔ ስም ይገልጻለት' የሚል። እኔም ልሞክር ብዬ በድፍረት ወደ ሀገሪ መጣሁ። ... እርግጥ ፍራቻ ነበረኝ። ... ውጭ ሀገር ኹዶ ከመንከራተት አገሬ ይሻለኛል ብዬ በማሰብ ነው የመጣሁት። ... ከሰባት ወር በኋላ ታሰርኩ። ... በምን እንደታሰርኩ አላውቀውም። እንዲያውም አሳሪዎቼ እየመጡ 'ለምን ታሰርኩ?' እያሉ እኔን መልሰው ይጠይቁኝ ነበር። የፈዘ ጥያቄ መሆኑ ነው።" (አፅንኦት የእኔ).

በመጨረሻም ከሰባት ዓመታት በኋላ ተፈታ። እዚህ ላይ ግን የሰደት ቁጥር እንደ ምክንያቱንና በጋሼ እሸቱ ህይወት ያስከተለውንም መዘዝ (ከዚህ ያልጠቀስኩትንም ጨምሮ) በእርጋታ እንመርምር። ከዚህ በተያያዘ፣ ለሀገሩና ለህዝቡ ይሰጥ በነበረው ከፍተኛ ግምት የተነሳ፣ በዚህም ላቢያ ብዙ መሥራት በነበረበት ዕድሜው በስደት መንገዳታቱና በኋላም በእስር መማቀቁ፣ እነዚህ ሁሉ ተደማምረው፣ በኢኮኖሚክስ ሙያው ማበርከት ይችላ የነበረውን ያህል እንዳያበረክት ተፅዕኖ ማሳደራቸውን ማውሳት አግባብ ያለው ይመስለኛል። ይህም ሆኖ ለኢኮኖሚክስና ለኢትዮጵያ ኢኮኖሚ ያደረገው አስተዋጽኦ ከማንም የሚተናነስ ሆኖ አላገኘሁትም።

ለሀገሩና ለወገኑ ከከፈለው የማይናት መስዋዕትነት፣ ተያይዞም በህይወቱ ላይ ካስከተለው መዘዝና መጥፎ ጠባሳ ይበልጣል። ጋሼ እሸቱን በእጅጉ የሚያሳዝነውና የሚያስቆጨው፣ ጊዜውን፣ ጉልበቱንና እውቀቱን በሙሉ የሰዋለት የተሻለች ኢትዮጵያን የማየት ህልሙ ባላሰበው ሁኔታ መቀለበሱና ውጤቱም ያልጠበቀው መሆኑ እንደነበር "ጨኸት" ለተባለው የግጥም መድበል ከቀጠረው ቆንጆ መግቢያ መረዳት ይቻላል። "በኢትዮጵያ ውስጥ አንድ ትውልድ ነበረ፣ ውብ ህልም ያለው። ታሪክ ሳይፈቅድለት ቀረና ያ ህልም ወደ እስከፊ ቅጥት ተቀየረ። ያም ትውልድ በአመዛኙ

የመስዋዕትነት፣ እንዲሁም የትራጂዲ ታሪክ ጽፎ ተነነ። እርስ በርስ ተላለቀ፣ ለአጥፊዎች (እንዲሁም ለኢትዮጵያ አጥፊዎች) እራሱን አመቻችቶ ሰጠ። መስዋዕትነቱ ከፍራ አልባነት አልፎ እጅግ መራራ ፍሬ አበቀለ።" (አፅንኦት የእኔ).

ይህም ሆኖ፣ ለሙያው፣ ለሀገሩና ለወገኑ ተቆርቀሪነቱን ምንጊዜም ቀዳሚ አጀንዳው ያደረገው ጋሼ እሸቱ፣ ያሰበው ባለመሳካቱና ከድሉ ጣፋጭ ፅዋ ባለመገንጨቱ፣ ፅንፈኛና ግትር አቋምን የሙጥኝ ሳይል፣ ሳይኮርፍ ወይም ተስፋ ሳይቆርጥ፣ በለውጡ የተፈጠረውን መልካም አጋጣሚ (በጣም ምቹ ባይባልም አንፃራዊ መሆኑን ያስተውላል!) ገና ከጠቀቱ ለዚህ ውጥኑ ከመጠቀም አልበዘነም። እንደ ኮንሬውሽን "ጭለማን ከመርገም ይልቅ ቀራጭ ሻማን መለኮስ ይሻላል" ከሚል እምነት የመነጨ ይሆን? በለውጡ ማግስት፣ ከሀገር ውስጥና ከውጭ የመጡ አንቱ የተባሉ ምሁራን በተሰበሰቡበት፣ ስለኢትዮጵያ ኢኮኖሚ ጋላ ቀርነትና የመፍትኔ ሀሳብ በተወያዩበት፣ በይዘቱ ሰፊ በሆነና ከፍተኛ ግምት በተሰጠው ሲምጋዜም ላይ ጋሼ እሸቱ የተናገረውን መጥቀሱ ለዚህ አባባሌ ጥሩ አስረጅ ይሆንልኛል ብዬ አምናለሁ።

"Ethiopia had been given a unique historical opportunity rare amongst modern nation states. Having wasted the chance given to us to rebuild our nation in 1974, our generation has been given a second chance to start the process of reconstruction afresh by the removal of the Dergue in 1991. The fundamental question is: Can we rise to that unique challenge or will we once again waste it?"

ጋሼ እሸቱ ከዚህ መልእክቱ ጀርባ አንድ ትቶልን የኹደው የቤት ሥራም እንዳለ ነው የሚሰማኝ። ይኸውም 'ለሁለተኛ ጊዜ ታሪክ የሰጠንን ዕድል እየተጠቀምንበት ወይስ እየባከነው እንገኛለን?' የሚል ቅንት ያለው። እናም፣ የጋሼ እሸቱ የመቻቻል፣ ጽንፈኛ ከመሆን ይልቅ ገንቢ ሀሳቦችን አመዛዝኖ የማቅረብ ተሰጥሎ፣ ሁሉ ሲመኘው ለነበረው የኢትዮጵያ የኢኮኖሚክስ ባለሙያዎች ማኅበር ወቅቱን ጠብቆ እውን መሆን የበኩሉን አስተዋጽኦ አደረገ። ታሪካዊ

የምሥረታ ጥሪውንም በዚህ መልኩ ነበር ያስሰረን።

"Let us build a foundation of which we as founders will be proud, and for which our successors will be grateful Those of us assembled here today can legitimately tell our children that we were 'present at the creation.'"

እኛም ተገቢውን ምላሽ ሰጠን፤ እየሰጠንም እንገኛለን፤ ወደፊትም መስጠት አለብን። ያለበለዚያ፣ የዚህ ታሪካዊ ጥሪ ደውል እያቃጨሰ ሀሊናችንን ሰረፍት ይነሳናል። የመጀመሪያው ጥሪዚያንንም በመሆን፤ ከሌሎች እንደሱ ሁሉ ለጥበብ የተገራ አእምሮ ካላቸው ባልደረቦቹ ጋር በመተጋገዝ፣ ማሳበሩን የማሳደግና የማገልበት ኃላፊነቱን በተሳታፊ ሁኔታ ተወጣው። በአጭር ጊዜ ውስጥም ከከፍተኛ የመንግሥት ባለሥልጣናት ጀምሮ ማሳበሩ በሰፊው እንዲታወቅና ለሀገር ዕድገት ከሚኖረው ፋይዳ አኳያ በሰላ ዓይን እንዲታይ ያስቻለም ይመስለኛል። በሳልነቱና ሀብቱ ሀገር ወዳድነቱ ሳይሆን ይቀራል የዚህ መሠረቱ? ሁሌም ሙያውን ለፖለቲካ እምነቱ መጠቀሚያ ከማድረግ መቆጠብን ስለሚመርጥ ይሆን? ምክንያቱም፣ እኔ እስከሚጠቀሙ፣ ሁለቱን ነገሮች እንደ ዘይትና ውኃ ለይቶ ባግባቡ የመጠቀም ልዩ ችሎታ ነበረው። የግሉ የሆነ የፖለቲካ እምነት እንደነበረው የማይታወቅ ህት ነው። ማጋነን ለይሁንብኛና፣ ጋሼ እሸቱ አንድ የፖለቲካ ድርጅት ማቋቋም ቢፈልግ፣ ፕሮግራሙ እንደ ሰደድ እሳት በፍጥነት ዳር እስከዳር ተዳርሶ፣ በአጭር ጊዜ ውስጥ፣ ቢያንስ ከአዲስ አበባ ህዝብ ሲሦውን ደጋፊው ማድረግ ይችል እንደነበር አልጠራጠርም። ነገር ግን ጋሼ እሸቱ ሀገራችን ችግር የድል አጥቢያ ፖለቲካኞች ሳይሆን፣ ሰከን ብሎ የሚያስብ፣ በመቻቻልና በመግባባት የሚያምንና የሠለጠነ አስተሳሰብ ያለው ዜጋ እጥረት መሆኑን በወል በመገንዘብ ይመስለኛል ማሳበሩንም በእያንዳንዱ እንቅስቃሴው በዚህ መልክ የገራው። በመጨረሻም ማሳበሩ ድክ ድክ ማለቱን በተመለከተ ጊዜ፣ ትጉህና ታታሪ ለሆኑት ልጆቹ 'አደራ' ብሎ፣ ዳግም ሳይመለስ ነገደ። ስለማሳበሩ የወደፊት ዕጣ የለመለመ ተስፋ እንዳደረቀትና የሚያበረታታ ራዕይም ይታያው እንደነበር ዝቅ ብለን እንቃኛለን።

"And so I have a vision for the EEA;

my vision is that, say by the time it celebrates its twentieth anniversary, it will have expanded its membership substantially; established a reputation as a respectable repository of professional knowledge, accumulated a distinguished record of research and publication; further advanced the cause of public education in economics, earned the respect of the public and contributed in several tangible ways to the economic advancement of Ethiopia." (አዕንኦት የእኔ)-

አዎ! ገና ከጅምሩ ነፍስ የዘራበት ይህ ማሳበር፣ ወደፊትም ጋሼ እሸቱን እንደማያሳፍረው ከፍተኛ እምነትና ተስፋ አለኝ።

የሀገር ዕድገትና የጎዝብ ብልፅግና የማምጣት ምኞቱ በምኞት ብቻ ሳይወሰን፣ ለዚህም ተግባር ሠርቷል። ሌሎችንም፣ ለዚህ በጎ ዓላማው ማንግጥትና ማስተባበርም በቀላሉ ይሳካሉት ነበር። የአቀራረቡ ሥልጠናነት፣ በሳልነቱ፣ አልፎ ተርፎም ከነዚህ ሰብዕናው የመነጨው ሰናይ ምግባሩ በሌሎች ዘንድ ተወዳጅነትንና ተቀባይነትን በሰፊው አትርፈውለታል። በተለይ፣ ችግሮችን የሚመለከትበት ሚዛናዊ የጎሊና መነሳሪያ ሁሌም ዘለቄታዊ ጠቀሜታ ያለው ለውጥ ከማስገኘት አንጻር መሆኑን በድጋሚ ማውሳት እወዳለሁ። ችግሮችን ሳያደብስብስ በግልፅ እውጥቶ በመተንተን፣ በሌሎች ብቻ ከማላከክ ይልቅ እራሱንም ጭምር ተጠያቂ በማድረግ፣ በገንቢ ሁኔታ ሲገመገምና በመጨረሻም ሚዛናዊ የሆነ አስተያየቱን እንደመፍትሔ ሲሰነዘር ተደጋግሞ ይታያል። ከሳይ ለጠቀስኳቸው ነጥቦች አጋኛ ይሆኑኝ ዘንድ፣ ከጽሁፎቹ የሚከተሉትን ሀረጎች ቀነጣጥቤ እቅርቤያለሁ። በተለይ፣ ለኋላ ቀርነታችንና ለድህነታችን ከኃላፊነትና ከተጠያቂነት ማንም እንደማያመልጥ ልብ እነበል።

'እሌፍ' ለተባለ የግል መዕኔት፣ የዛሬ አምስት ዓመት ገደማ በሰጠው ቃለ ምልልስ ብንጀምር፡- "እኔ እንደሚገባኝ ከሆነ እዚህ ሀገር ምሁራንና መንግሥት ሁልጊዜ የጎረጥ ነው የሚተያይት ... ይህ ግን ከአንድ ወገን ብቻ የመነጨ ችግር አይደለም ብሎ ነበር የመለሰው፣ "የሽግግር መንግሥቱ በምሁራን አካባቢ ተቀባይነትን አላገኘም ይባላል። ይህ እውነት ነው?"

ተብሎ በጋዜጠኛ ለተጠያቂው ሲመልስ፡- ማን ማንን ነው የጎረጥ የሚያየው? በምን ምክንያት? ምንስ መደረግ አለበት? ለሚሉት ጥያቄዎች ዝቅ ብሎ የተጠቀሱትን የጋሼ እሸቱን ብስለት አዘል ትንታኔ እነሆ፡-

"Power bred arrogance, and arrogance was taken as a substitute for knowledge. Such a negative attitude was generic to those whose comparative advantage resided not in knowledge but in marshaling the means of violence. You will, I am sure, have noticed my use of the past tense. I can only hope that it will not turn out to be a grammatical mistake." (አዕንኦት የእኔ)።

መቸም ጋሼ እሸቱ ከማንም ባልተናነሰ መልኩ የደርግ ሰለባ እንደነበር የሚካድ አይደለም። ሆኖም ግን የዚህች ኢትዮጵያ የምንላት (ውጥንቅጥና ... ዝብርቅርቅ - እንደሱ አባባል) ሀገር ነገር አይሆንለትምና ተስፋው በቀላሉ ያለመሚጠጡን ልብ ይሳል። ጋሼ እሸቱ ሁሌም ቢሆን ለኢትዮጵያ ተስፋ ማድረግን ነበር የሚመርጠው። ነገ ከዛሬ ሳይሻል አይቀርም። በሚል ጤነኛ አስተሳሰብ። ይህን በተመለከተ ሌላ ምሳሌ እራሱ ቢያወጋንስ? (አሁንም፣ ከአገሪቱ መጽሔት ጋር ካደረገው ቃለ ምልልስ የተቀነጨበ)።

"ደርግ በወደቀ ማግሥት በዚህ መንግሥት ሳይ ብዙ ተስፋ አድርጎ ነበር። ሀገራችን ሙሉ በሙሉ ሰላም ትሆናለች። ከፈላጭ ቆራጭ መንግሥት ወደ ዴሞክራሲያዊ መንግሥት የምንሸጋገር መስሎኝ ነበር። እርግጥ ነው መጠነኛም ቢሆን የተወሰዱ እርምጃዎች እንዳሉ ይሰማኛል። ... ቢሆንም ላይ ላይን ብቻ እየየን ዘላቂ ይሆናል አይሆንም የሚለውን መመርመር ያለብን ግን ይመስለኛል። የጥህነት ይገዳናል እንጂ አይጠቅመንም። መጠርጠሩ አይከፋም። እንድንጠራጠር የሚያደርጉን እንዳንድ ሁኔታዎች አልጠፋም። የሚያስጨንቁን ድርጊቶችም አሉ። ... የወቅቱን የፖለቲካ ባህርይ ሰናጤን መሠረቱ ብሄረሰባዊ ነው። ... እጅግ የተከፋፈለ ሁኔታ ፈጥረን እያንዳንዱን ክልል እንደሉዓላዊ መንግሥት አድርገን ማዕከላዊ መንግሥቱን ካዳከምን ኢትዮጵያ በአንድነቷ መቀጠሏ እደጋ ሳይ ይወድቃል። ... ለክልሎች ሰፊ ያለ ሥልጣን መስጠቱ አይከፋም። ይህ

ማለት ደግሞ እያንዳንዱ ክልል

እንደሌለገው መሆን የለበትም - ወደ ዘመን መሳፍንቱ ላለመመለስ... (አዕንላት የእኔ)።

ከዚህ የምንረዳው ከቀን ወደ ቀን ጥርጣሬው እንደጠፋ እየሠጠረ እንደመጣ ነው። ተስፋ መቸም ገደብ አለው። ትራፖትም እንዲሁ። ወደ መሠረታዊው (ሀገር ጥሎ ለሁለተኛ ጊዜ ከመኪኔዳ በፊት) የጸፋቸው ነገሮች፣ ስለዚህ ሀገር ልማት ፈንታ የነበረው ተስፋ እየሠጠረ (ምናልባትም እየሠጠረ) የኪዳኑ ነው ያሰማሰሉት። ለዚህ አባባል እንደማጠናከረ፣ ከላይ ከፍ ብዬ የጠቀስኩትን የ"ሠላሽት"ን መግቢያ በድጋሚ እንመልከት። በተለይ "... ለአጥፊዎች (እንዲሁም ለኢትዮጵያ አጥፊዎች) ..." የሚለውን ሀረግ። ኢትዮጵያን አጥፊዎች ብቻ ናቸው የሚቀበሉት ማለቱ ይሆን? ከመለስተኛ አጥፊዎች ወደ አደገኛ አጥፊዎች ከዚያም ወደ እጅግ አደገኛ (ረቂቅና መሰሪ) የኢትዮጵያ አጥፊዎች!

በሌላ ወገን ደግሞ፣ "ምን እዚህ ሀገር ፖለቲከኞች መቻ ያሠራሉ?" እያልን፣ ሀቅን በመጋፈጥ ፈንታ፣ አራሳችንን ለምናታልልም። ጋሼ እሸቱ እንደሚከተለው ከአራት የመረረ ኪኒን ሳንወድ በግድ እንድንውጥ እያስገደደ ነው እጣብቁኝ ውስጥ የሚደለን።

"But it would be unfair to put all the blame on the [political] environment. The (economics) profession has suffered from the opportunism of some of its members. Since this is damage that was self-inflicted, we have nobody to blame but ourselves" (አዕንላት የእኔ)

እንዴት ሆኖ? ብለን ለምንገራም ደግሞ የኢኮኖሚክስ ባለሙያዎችን አስመልክቶ በሚከተለው ምሳሌ ያብራራልናል፡-

"Face to face with the process of economic reform in progress in the country today, we (economists) have for the most part been unable to initiate and sustain a dialogue among ourselves. Much less with other social scientists; and even less with the general public. On the limited occasions where we have ventured to express ourselves, we

have been reduced to either blanket defense of or blanket opposition to structural adjustment, neither of which stance has required any degree of creative thinking on our part. Those of us who support it, even when we do it for principled reasons (which is not always the case, and in the rare cases when we actually articulate opinions) do no more than recite rehearsed arguments advanced by others in favor of such programs. And those of us who are opposed to the programs rarely come out with viable alternatives. Either way, we do not seem to have much that is interesting to say either to each other or to the wider public.... This is largely because we have done very little original work on the theoretical front." (አዕንላት የእኔ)።

ደ.ሞክራሲ እንደዚሁም የአውቀት የበላይነት በሀገራችን ያለመስፈን ምኞጣር እንግዲህ በጋሼ እሸቱ ዓይን ይህን ይመስላል። የችግሩን እምብርት ብቻ ሳይሆን መፍትኤውንም አብሮ ያነሳል።

"I yearn for the day when we will be able to organize joint activities with other associations and, acting in concert, raise the level of public discourse in our country to higher, more dignified and more constructive levels. By doing this we will also send out the message, loud and clear, that there are ways of serving one's country other than carrying a gun or wielding political power. In more literate societies, there is a healthy interaction between power and ideas; in ours, unfortunately, the relationship is one of studied distance at best and out right hostility at worst. Since the country is the ultimate loser from this state of affairs, it is a situation that must be rectified." (አዕንላት የእኔ)።

ከፍ ብዬ የጠቃቀስኳቸውን፣ የጋሼ እሸቱን ሀሳቦች ካሠረኩ በኋላ፣ ብዕራን ላንጻፍታ ቁጭ አድርጌ፣ አስብ ገባሁ። በመጀመሪያ አንድ ጥያቄ ነበረ በውስጡ አይሉ የሚርመሰሰው። 'ጋሼ እሸቱ ለምን ተሰደደ?' ስደት ቁጥር ሁለትን ማለቱ ነው። "ለምን ሞተ?" ብዬ ከቁጥጥራ ዉጭ በሆነ

ነገር ብዙም ባልቆደም፣ "ለምን ተሰደደ?" ማለት ግን አልተረፈኝም። ለጋሼ እሸቱ ብዬ ሳይሆን፣ ለራሴ። ግን መልሱን እንዴት ላውቅ እችላለሁ? ለነበረ መልሱን በርግጠኝነት የሚያወቁት ጋሼ እሸቱና እግዚር ብቻ ናረዋልና። ምንም ነገር ባላለፈ ጊዜ ተስፋ ቆርጦ ከላይ ያሰረረኩትን ጥቅሶች ደጋግሜ እነበብኳቸው። ይኸን። የእያንዳንዱ ሀረግ ትርጉም ቁልጭ ብሎ ታየኝ (ለእኔ)። ጊዜ ሳላጠፋ፣ ብዕራን ብድግ በማድረግ፣ ከጋሼ እሸቱ ወደ አንጎል፣ ከአንጎል ወደ ቀኝ እጄ፣ ከዚያም በብዕራ ጫፍ በኩል ከማስታወቅ ማንጠባጠብ ይሆኑ። በመሠረታዊ እንደሚከተለው ወደናንተ ሰደደኩት።

ሁላችንም እንደምናውቀው ከሶስት ኅመት በራት፣ እንደዘበት ወጣ ያለው፣ ቆጥጥና ወልጃ፣ እንደተደሞሰው ፀሎ ዳግም ይቅር ብሎ ይመለስልኛል ብላ ለጠበቀችው ብቸኛ እናቱ (ኢትዮጵያ)፣ ሰኔ 13 ቀን 1990 አስከራራን ነበር የላከላት። እኔ ለምን? "ብቃት ያንቺ ነገር" ብሎ? አላይ አራቱ እንደሚሰጡት "ውጭ ሀገር ኪዳኑ ከመንከራተት አገራ ይሻለኛል" ብሎም አልነበር? ታዲያ ምን አዲስ ነገር መጣ? ኢትዮጵያ አስጠላችኋል ወይስ እኛ ጋሼ እሸቱ አስጠላት? ምናልባት፣ ይህን የባሩድ ሰብ ክፍቶ የተጠናወታት እናቱ፣ ከዚህ በሽታዎ በተላሉ እንደሚታገም ገምቶ ይሆን? እብኸኝን እማማ የባሩድ ሽታኮ መጥፎ ነው። ያስከራል። ያሳብዳል። ይቅርብኸኝ። እያለ ወትወቶ ያስቸገራት እናቱ፣ "ወዲያ ኪዳኑን! አንተ ሰነፍ ፈረ! እኔ ባሩድ ካላሸተኩ ያስጠላኛል... ያብኳል... አላልኩም? በማይገባኝ ምክር ከምታደነቁራኝ፣ እንደ ጀግኖች ልጆቼ ባሩድ እምጥተህ ጀግንነትክን ብታሳዩኝ አሁን ምናልባት?" ብላው ይሆን?

የጋሼ እሸቱን ሥራዎችና ሀይወቱን በአንክር በመረመርኩ ቁጥር፣ አንድ ጠንክር ያለ መልእክት እንዳላቸው ይሰማኛል። ስለሀገሩ አንድ ቆንጆ ራዕይ ይታየው እንደነበር ነው የምገነዘበው። በወገኑ የዘመናት ሰቂቃና ለቅሶ ኅልናው የተጠበሰዉ ጋሼ እሸቱ፣ "የኢትዮጵያ ታሪክ የጦርነት ታሪክ ነው ..." እያለ ደጋግሞ የሚቆጠው፣ በባሩድ ሽታ ሰከራ፣ በጦርነት ለጦርነት ተፈጥራ፣ በጦርነት የጃጃች፣ ግን በከንቱ ጉራ የተወጠረች ሀገራን፣ ከዚህ አዚማ ቢያንስ እንድታገም ነበር የዘወትር ውጥኑ። የእሱ ምኞት፣ ባዶ የጀግንነት ዋንጫ እስጠብጠ፣ በማራኪ የመፈከር ፋሽኖች እያዋለለ፣ ወገኑን

በኩራት ሆኖ ላይ እያንሳፈረ። ካልሆነም በአፈ-ሙዝ እንበርከኩ ሌላ ተጨማሪ ሶስት ሺህ የእብደት ዘመን በመግዛት ህልም እንደሚኖረው የተሰለበ ዜጋን በእውቀትና በሥልጣን ለመግራት ነበር። ጋሼ እሸቱ፣ እንደዚህ ዓይነቱን በሥልጣን ጥም ናላው ዞር፣ በራሱ ህዝብ የጥይት ዝናብ የሚያርክፈክፈውን ዜጋ፣ በወገኑ የደም እንባ የጨቀየ ድርብርብ ድራቆችን አስወልቆ ስለ የሥልጣን ኩታ በማሳናፀፍ፣ በፍትህና ዲሞክራሲ ጎዳና እራሱንና ወገኑንም በመንፈስ ነፃነት እንደልቡ ያንሸራሸር ዘንድ ለማገዝ ነበር ህልሙ። እንደዚሁም፣ መልካም ሰብአዊ እሴቱን በማጋራት፣ ወገኑ ሳያሰበው የተቀፈደበትን የክፋትና የድንቁርና ሰንሰለት ለመበጣጠስ።

በዚህ ረገድ፣ ጋሼ እሸቱ ሀገሩና ወገኑ የጣለበትን የዜግነት ግዳጅ (እንደ ባለብዙ ፈርጅ ምሁርና አባት የሚጠበቅበትን) በተለይም የሰላላን ዜጋ የማፍራት ተልእኮን ሳያስተጋጉልና ሳይታክት በሚገባ ተወጥቷል ባይ ነኝ። የሚቀረጧ ከኛ ይመስለኛል። በይበልጥ ደግሞ ከልጆቹ። ይህ ነጻ እኔን የሚያስጨንቀኝ። ጭንቀቱንም ነጻ ማጋራት የያዘኩት። ስለሆነም ጋሼ እሸቱ በድል አድራጊነት ግርማ ሞገስ እንደተኮፈሰ ነው ወደ ሞት የወረደው። እንደዚህ ማሰቤ ቢያንስ ከጎዘኔ ያጽናናኛል። አምርሮ ከማዘን

ይልቅ፣ የጎዘኑን ምንጭ ከመሠረቱ ማድረቅ ይቀላልና። ለዚህ ደግሞ ፍቱን መድኃኒቱ ቆም ብሎ ማሰብ መጀመር ነጻ። ከዚያም ሌሎችን ማሰብ እንዲጀምሩ ማስተማር። ሁሉም ማሰብ ሲጀምር...። ስለዚህ ጋሼ እሸቱ አልተሸነፈም። እንደተሸነፈ ከተቆጠረ፣ የተሸነፈው እኛ የኢትዮጵያ አሸናፊዎች የምናደርገውን ለመፈጸም ባለመቻሉ ነው። ጉልበት አንሶት ሳይሆን ማሰብ በመምረጡ፣ ጎሊናጫ ገዢ ጡንቻውን በመደፍጠጡ። ከጦርነት ድል ማግኘት ምንጊዜም ቢያንስ እንድ ሌላ ጦርነት እንዳለ ስለሚሰማው። "እኔ እንግዲህ በሶስት መንግሥታት ኖራለሁ" የሚለው ጋሼ እሸቱ፣ በነፍጥ በትረ-ሥልጣን የተቆናጠጠ ሁሉ፣ ዉሉ አድርፎ ሌላ የሱ ቢጤ ጉልበተኛ እንደሚያዝበት በመገንዘብ።

ምሁር ተብዬዎችም፣ አስቀድመን እንሰልጥንና ለህዝባችን እናሳየው። ከዚያ የነፍጥ ገዢዎች ሳይወዱ በግድ፣ ቀስ በቀስ እንድ ቀን ወደኛ ይመጣሉ እያለም ይመክረናል። ጋሼ እሸቱ። "ጃፓን እንደምን ሰለጠነች?"፣ በጉልበት ወይስ በእውቀት? ለማሰብ ከማንገራገር ይልቅ ጎሊናችንን አንፈታተንበት። በሰከነ አእምሮ፣ በበሰለ የጥበብ ቅኔ፣ በተገራ እንደበት የሥልጣን ዜማ እንዘምር። ከራራችንም ሥልጣንን ያክርር። "ፋኖ ተሰማራን አዉግዞ "ታጠቁ ለሥራ"ን ይሰበክ። በህዝባችን

ዘንድ ሳይሰለች የሚደመጥ የዘላለማዊ ድል መድበል እንፍጠር። ከትውልድ ወደ ትውልድ ተሸጋግሮ የሚዘመር የኢትዮጵያ ህዝብ መዝሙር ይላል ይህ ነው፣ እንደ ጋሼ እሸቱ።

ከዚህ በመነሳት ነጻ እንግዲህ ሁላችንም ከጋሼ እሸቱ የምንማረው አንድ ታላቅና ጊዜ የማይሸረጠው እውነታ አለ ለማለት የምደፍረው፣ ባለበትሩም፣ ምሁሩም፣ በይበልጥ ደግሞ የኔ ቢጤ ደቀ መዝሙሩ። ስለዚህ ጋሼ እሸቱ ፊደላዎች ለልግኩት ጊዜ ሁሉ ከእኔ ዘንድ ይከሰታል። ከልብ ከፈለጋችሁት ከናንተ ዘንድም ታገኙታላችሁ። እሱን ለማግኘት የፈለገ ግን አስቀድሞ እራሱን ፈልጎ ማግኘት የግድ ይሆነበታል። በበኩሌ፣ በሱ ሞት የተሰማኝን ህዘን በህያው መልእክት ለማሰስ ያደረግኩት ሙከራ ይህንን ይመስላል። እናንተላ? በመጨረሻም፣ ለኢትዮጵያ ብልፅግናና ሥልጣንን፣ ለህዝቧ ሰላምና ጸባ፣ ለምሁሩና ለገዢዎቿ ቅን ልቦና፣ አርቆ አስተዋይነት፣ መከባበር፣ መተሳሰብ፣ መቻቻልንና መፈቃቀርን በጋሼ እሸቱ ስም እመኛለሁ። እንዲሁም፣ ለጋሼ እሸቱ መልካም ዕረፍትን፣ ለቤተሰቦቹና ለወዳጆቹ መዕናናትን ይሰጠን ዘንድ እማፀናለሁ። አሜን!

THE ESHETU MEMORIAL FUND RAISING CAMPAIGN

E-mail Message

Over the last several weeks, a group of 18 concerned Ethiopians in three continents, saddened by the untimely death of one of our country's intellectual giants, Eshetu Chole, have been exchanging ideas on how best we can memorialize his life and immense contributions to our country and people. We are now

pleased to announce the results of our efforts, the Eshetu Chole Memorial Fund Raising Campaign, directed at accomplishing two goals: (1) Setting up a Trust Fund that can be used for the education of his two young children; and (2) Establishing an "Economics Reading Room" at Addis Ababa University's Library, if we can successfully negotiate with the University's administration. If the latter proves difficult, all funds

collected will go to his children's Trust Fund or to another project which, in the judgment of the Campaign Committee, best enshrines his memory.

Before giving you the details of our initiative, and as a continuation of our tribute to his life and work, let's use a few quotes -- both from him and others who knew him, close and from a distance -- to remind us of the

passing of a great Ethiopian whose love for his people has been boundless and whose painstaking efforts to contribute to their liberation and well-being has been truly exemplary.

"Knowledge that is not backed by engagement is of doubtful utility. I am talking about engagement not in the narrowly political sense, although there is nothing wrong with that; but engagement in the sense of making the well-being of Ethiopians the centerpiece of our goal and practice. ... "There is so much to do, but so little done." - -Dr. Eshetu Chole, in his 1993 presidential address to the 2nd General Assembly of the Ethiopian Economics Association, entitled "The Tasks of Ethiopian Economists."

"Ethiopia is currently going through a critical period of transition. The end of the long, drawn-out and devastating wars, it had been hoped, would finally usher in an era of peace. Unfortunately, as the war drums begin to beat again, this time in other settings, such hopes seem to be dissipating in the quick sand of ethnic politics." - -Dr. Eshetu Chole in his inaugural speech of the Ethiopian Economics Association in Addis Ababa, August 5, 1992.

"Our challenges are enormous, and they do not easily submit to ready-made political slogans. What they require is a combination of political broad-mindedness and economic sobriety." - -Eshetu Chole, in a Keynote Address at an Ethiopian Economics Association Workshop, April, 1994.

A sampling of quotes from postings on Ethiopian E-mail Distribution Network (EDEN) and/or EthioForum immediately following the announcement of his death:

"In spite of immaculate academic credentials that can win him his daily bread anywhere on the planet, Eshetu was concerned with the problems of Ethiopia. He stayed in

the country when nearly all his contemporaries chose to live and work abroad." - -Dr. Minga Negash.

"Tragically, one of the wittiest and best representatives of scholarship in our country has passed away. ...What is even more tragic is that he died with the bad news that his country, which he loved so much, is again at war. No doubt, he went with a heavy heart; and perhaps fearful of where the country may end." - - Dr. Mamo Muchie

"It is sad indeed that we lost a model citizen of Ethiopia. His towering intellect, his acerbic humor and finesse with the English language, his deep concern for the daily struggles of the Ethiopian poor ...and, most of all, his integrity were rare and exemplary." - - Dr. Berhanu Abegaz

"Ethiopia has lost that rare social thinker; but I believe his spirit, commitment, and dedication to the cause of Ethiopia and its people will live with us for ever." - -Dr. Getachew Begashaw

"He was an Ethiopian who refused to be 'bought' or give in to the constant threat and pressure imposed on him by the successive Ethiopian governments." - - Dr. Abraham Lakew

"I am upset to think of a world without Eshetu Chole, who was a superb scholar and a man of real and tested integrity. I shall miss his wisdom and writings about Ethiopia, and his piercing political acumen and wit." - - Prof. Harold Marcus

"Eshetu Chole is dead? ... I wish he could wait for his turn." - - Dr. Getachew Haile

"He is a very exceptional Ethiopian.... The work and memory of such men and women who gave the country and people of Ethiopia a good name should not be lost." - -Dr. Samuel Kinde

The Eshetu Chole Memorial Fund Raising Committee consists of the

following individuals who have volunteered their time and resources in planning, organizing, and managing this initiative.

- (1) Dr. Berhanu Abegaz, Williams & Mary, Virginia
- (2) Dr. Getachew Begashaw, Michigan State University
- (3) Ato Berhanu Beyene, University of Hamburg, Germany (postmaster for the Ethiopian Economics Association Web page)
- (4) Dr. Gebeyehu Ejigu, Arizona State University
- (5) Dr. Yonnas Kifle, Bureau of Labor Statistics, Washington, D.C.
- (6) Dr. Samuel Kinde, RAM International, California
- (7) Dr. Abraham Lakew, Washington, D.C.
- (8) Dr. Mamo Muchie, London, England
- (9) Ato Fekade Shewakena, Washington, D.C.

The Committee's Convener is Dr. Gebeyehu Ejigu. We are in the process of selecting a Treasurer and will announce an address where contributions should be sent. The committee is in the process of contacting his family, friends, and colleagues around the world to solicit their support and participation in this effort. Announcement of this initiative is being made in a variety of media -- e-mail networks, radio, newspapers, journals, and through various associations. We will also seek the assistance of the current officers of the Ethiopian Economics Association in this effort.

Gebeyehu Ejigu, Convener
The Eshetu Chole Memorial Fund Raising Campaign

From the Editor: His friends in Addis Ababa are also working along the same line (Dr. Befekadu Degife, Dr. Gebru Mersha & Prof. Bahru Zewdie are the organizers). They are willing and ready to work with all out side the country. The EEA is also ready to participate in such initiative. The Department of Economics of AAU is also initiating a project to produce a reading material on Ethiopian socio-economic development in his honour.

A STUDY ON ORGANIZING THE HOUSING SECTOR ON THE PRINCIPLES OF FREE MARKET ECONOMY

An extended English version of the executive summary (conducted in Amharic)

By Ato Shimelis T/Tsadik

The Council of Region 14 Administration (Addis Ababa) issued a directive in August 1996 that sets new and exorbitant rent rates on commercial premises that are rented from the Urban Dwellers Associations (Kebeles). The new rates have had adverse effect on the Business Community particularly on those with limited income. The reaction of the Business Community in turn created a rift between the Business Community and Region 14 Administration and the Federal Government as well. The Addis Ababa Chamber of Commerce took a research initiative to develop proposals for the economic, social and political problems brought about by this new directive and the new rent hike. Initially the Chamber's aim was to search either through negotiation and/or the establishment of an independent "fair rent board" to mitigate the difficulties that befell on the Business community.

However, as we looked deeper into our traditional urban development process and the recent history of the economy of the housing sector of the capital, we became convinced that the central problem looms larger than the Chamber's initial concern. Principally the problem lies on the monopolistic ownership and control of the houses and urban land by a single body which also controls the legal and administrative structure as well as the police and the armed forces, i.e. the government. This general appreciation of the housing sector further led us to search for

solutions beyond what we had anticipated. Ethiopia's overall economic condition very much resembles those of East European countries and Chile, who under communist regimes, had an economic system characterized by public ownership of the means of production and central planning. Chile earlier and the East European countries in the last decade all tried, with varying degree of success, to change their economic system, popularly known as "the command economy", by adopting open and free market principles¹. As early as November 1991, the Transitional Government of Ethiopia had also taken, at least at the level of intent, a similar position.

The Housing Sector Economy of Addis Ababa

There are two major findings of the study. First the dismal condition of the housing stock in the city. The rooms are too small (about 13 sq. M.) and on average they are occupied by 2.6 persons per room. More than 50% of the houses are simple natural

earth and over 70 % of them have walls made of *chika* (mud). What is even more significant is that large numbers of the houses do not have facilities for keeping the houses and the neighborhood safe. 25 % of them do not even have common toilet and latrine and over 18 % common kitchen. By the same token even over 50 percent of them do not have water supply, nor facilities for solid waste disposal and drainage (see Table 1 and 2 below)².

Actually, if we take an acceptable shelter norm for housing condition, like the one set by HABITAT³ of the United Nations, of which Ethiopia is a signatory, the large number of the housing stock of Addis Ababa will be unacceptable as decent urban shelter. Indeed, the group of consultants that studied the housing sector for the government found that of the 383,617 houses only 81,004 meet the criteria of acceptability for

¹ For Eastern Europe see Y. Akuz, A. Koves, D. J. Kotte and L. Szamuely (eds.), *Privatization in Eastern Europe*. Geneva: UNCTAD, United Nations Publications, 1992. And for Chile see Jose Periera and William Glade, "Privatization in Chile," in William Glade (ed.), *Privatization of Public Enterprises in Latin America*. San Francisco: ICS Press, 1991. pp. 19-34.

² These tables and the ones below were each constructed from two or more tables found in PADCO *et al.*, *Ethiopia Housing Sector Study*, Addis Ababa: March 1997; as such there might be some differences in the specific numbers presented. This is a major study done by an American consulting firm together with two other national ones commissioned by the Ministry of Works and urban Development. We would like to convey our gratitude to the firms for providing us with the various reports.

³ United Nations, *The HABITAT Agenda: Principles and Commitments and Global Plan of Action*. NEW York, 1996.

human urban shelter. As per the criteria set by the study, 79 % of the housing stock is unacceptable for human shelter. Replacing them with newly built houses and to renovate those in poor conditions and providing the neighborhoods with adequate services is expected to exact some 8.4 billion Birr for the City's Administration⁴.

What is more important is to see the effect of the tenure arrangement on the condition of the houses. From Table 3, it is evident that owner-occupied houses are by far in a better condition than the ones under other tenure arrangement. Leaving aside the unknown ones in the category of "Rent Free", the houses owned and rented by the government are consistently in a far worse condition than the others. In addition, all houses, but particularly rented from the government, are poorly maintained.

The second fact is the shortage of housing for residence, office and commerce, either through rent or building one's own house. From Table 4, we can observe that in 1995, for example, some 30,000 households did not have any kind of shelter. This number might look small for a big city like Addis Ababa. But there are many households which the enumerators might have missed to meet in the first place. It is also believed that in the ten years between 1984 and 1994 over 900,000 persons have migrated to Addis Ababa, and most of them must be living with relatives and friends as dependants. Many young city dwellers will either push marriage plans towards a better future or, if married, live with their parents. Another indicator of this process is that in the same period between 1984

and 1994, the number of persons living in one room doubled, growing from 1.3 to 2.6 per room⁵.

Other things being equal, from a city's population with an average monthly income of around 391 Birr one should not expect the pattern of housing demand of individual households to be any different. Since the government owns and controls most of the houses and all of the urban land, the housing supply is expected to come from the government itself. As shown in Table 5, the one Agency that has the capability to provide housing services could only manage to meet 4% of the demand between 1987 and 1993. The supply of serviced plots by the newly established offices of Region 14 is hence found to be negligible.

Review of the Advantages of Organizing the Housing Sector on the Principles of Market Economy

Most of the above problems and difficulties of the housing sector economy were accumulated over time especially during the 17 years of the Derg's communist regime. Even after adopting market economy policies by the then TGE and now FDRE government, the problem still lingers on because it is so vast and our resources are meager. At a policy level the issue is not one of market-versus-state but of formulating modalities in which the relative advantage of the state and the private sector are best utilized in a cooperative manner⁶. In the first

instance, the transition from command economy towards a free market one is tantamount to the transfer of the major factors of production from government ownership to private ownership. Privatization of housing and urban land is expected to generate two related benefits to the housing sector. The first advantage is the tapping of the energy and initiative of citizens, which during communist rule were kept at bay, to be involved in searching solution for difficulties that touch their private lives directly. That is to say, if the legal and institutional arrangement are free of corruption and bureaucratic red tape, individual households will take the initiative for acquiring shelter for themselves and will maintain their houses better. The market, cleaned of present distortion over time, will determine prices of construction material, land and rent; this in turn will create an economic environment that would enable private entrepreneurs to get into calculable real estate development endeavors.

Secondly, the government can focus its efforts where it has clear and relative comparative advantage over the private sector. It can and should concentrate more on the provision of the necessary infrastructure and maintaining macroeconomic stability. For the housing sector, this means the government should correct the present distortions in the housing market and the provision of equal opportunity for getting shelter for all citizens. In addition, in the transition from a command economy to a market oriented one there will be dislocation and hardship for those citizens with limited income. The the government has to embark on the provision of low-cost housing to low income households.

⁵ PADCO, Household Survey Report(Final), Addis Ababa: August 1996, p. 17.

⁶ Robert Klitgaard, Adjusting to Reality: Beyond "State Versus Market" in Economic Development. New Delhi: Tata McGraw-Hill Publishing Company, 1991.

⁴ PADCO *et al.*, op. cit., Tables 5.1 and 5.2, pp. 103 and 105 respectively.

Table 1: The Housing Stock and proportion of those provided with essential services 1995.

Type of House	Year				(1984 - 1995) % Provided Essential Services							
	1984	1995	Absolute Change	Annual Change (%)	Water to unit of compound (%)	Private or shared electric meters (%)	Solid Waste disposal (%)	Drain-age facilities (%)	Road access (%)	Kitchen facilities (%)	Private or shared toilet or latrine (%)	
Planned const.	31,069	56,844	27,775	83.0	64.3	97.8	58.7	30.6	74.1	80.3	79.4	
Unplanned	228,532	332,138	103,607	45.3	51.7	98.9	45.7	33.8	60.7	81.4	73.3	
Total	259,600	388,982	129,382	49.8	55.7	98.5	49.8	32.8	64.9	81.1	75.0	

Source: Ethiopia Housing Sector Study (Tables No. 4.23, 4.38 and 4.39).

Table 2: The Housing Stock by Age, Size of Unit and Compound, Construction Type and Persons Per Room, 1995. (Mean Values).

House - Construction	Age	Size of Unit (m ²)	No. Of Rooms	Plot Size (m ²)	Non storied (%)	Earth/Mud Floors (%)	Sheet metal/ Concrete Roof (%)	Masonry / Cement Walls (%)	Persons per Room
Planned	17	48.7	3.2	365	93.5	37.7	96.7	46.8	2.5
Unplanned	27	34.7	2.6	239	98.1	49.6	99.5	21.8	2.7
Total	23	39.0	2.8	279	96.6	45.7	98.6	29.8	2.6

Source: Ethiopia Housing Sector Study (Tables No. 4.30, 4.31 and 4.37).

Table 3: Distribution of Housing Unit by Tenure Form and Condition, 1995.

Tenure Form	Condition				Total
	Good (%)	Fair (%)	Poor (%)	Beyond Repair (%)	
Owner occupied	38.3	35.4	23.8	2.5	100.0
Rented from govt.	15.3	28.9	48.7	7.1	100.0
Rented from private	21.6	34.6	38.5	5.3	100.0
Rent free or other	13.1	31.3	38.1	17.5	100.0
Total	26.2	32.6	35.7	5.4	100.0

Source: Ethiopia Housing Sector Study (Tables No. 4.34).

Table 4: Trends in Population, Households and the Housing Stock(1984-1994)

Item	Census Year		Annual Change %	Absolute Change
	1984	1994		
Population	1,432,111	2,084,588	4.3	140,003
Households	246,765	404,768	3.7	115,187
Housing stock	259,555	374,742		

Source: Ethiopia Housing Sector Study(Tables No. 3.3 and 4.17)

Table 5: Demand and Supply of Housing(1987-1993).

Type of Housing Demand	Demand	Supply	Supply/Demand ratio
For residence	4,847	233	4.8
For commerce	2,947	104	3.5
Total	7,794	337	4.3

Source: Agency for the Administration of Rental Houses

Recommendations for the Privatization of the Housing Sector

At a policy level, our government has accepted the rationale for a free market economy and the privatization of houses and urban land. In addition to the November 1991 economic policy, the government has adopted laws that can be the starting point for privatization of the housing sector (see Proclamation N. 80/1993 and for Region 14 Proclamation No. 3/1994). However, the government during the last seven years has done very little on the privatization front. By comparison it had done a lot, in the first three years, in devolving power by restructuring governance in a federal arrangement. Other countries in a similar transition had taken tremendous steps in the privatization in the first two to four years.

In relation to housing, in the first five months of 1992, Russia, through sales and gratuitous transfers, had privatized over 400,000 apartments, and Lithuania privatized 87.3% of all the houses applied by citizens for buying government owned houses⁷.

Informed by the experiences of these countries, being aware of the moral and legal necessity for restitution and taking into account our own dire economic condition, we suggest the following five modalities for the privatization of the housing sector in Addis Ababa.

1. All houses and urban land that was confiscated by proclamation No. 47/1975 should be returned to the then legal owners. Ownership of land may take the form of the present lease system.
2. Those houses that are known to be held illegal and/or are not claimed by anyone should be sold at a fair market price.
3. The small shops and residence houses should be given to the people that live and work in them.
4. When and where it becomes impossible to return houses, the original legal owners should be fairly compensated.

5. There should be a "safety net" established to assist those who become victims of the transition process.

Legal and Institutional Requirements

The task involved in the privatization of the housing sector is a complicated one. If the implementation of the privatization program is to succeed the following three pre-conditions need to be met.

1. There has to be a determination of a transitional period long enough for the implementation of the program but not overdrawn. We believe that if the government is committed and forward both policy and material and financial support, the privatization of the housing sector could be completed in not more than five years.
2. The privatization process should be handled by an autonomous transition period commission that has the community's trust, legal authority and is staffed by people with the experience and professional integrity.

⁷ Roman Frydman, Andrzej Rapaczynski, John S. Earle, et al., *The Privatization Process in Russia, Ukraine and the Baltic States*.

London: Central European University Press, 1993, pp. 74 and 275 respectively; see also footnote 2 above.

3. There is also a need for a more detailed articulation of laws that are suited for privatization. This requirement can be dealt with by a transitional period proclamation. The proclamation should have two parts: one that legally facilitates the transition period and a second for augmenting the legal requirements of a free market. The transition period commission, being aware of the seriousness and implications of its responsibility, and the time limit set for its duties, should, with the help of professional consultants, carefully prepare a project document and have

it approved by the House of Representatives through the Office of the Prime Minister. The project document, should *inter alia*, consist:

1. A work plan which, after identifying the main objectives of the commission, should be broken down into the necessary activities for its achievement. The work plan should organize the activities ordered by implementation priority, and there should be an indication of the time period for the completion of each activity and the responsible party for

its implementation.

2. The document should also contain project budget which contains all the necessary material and financial outlay accounting both on annual basis and for the whole period of the project.

Finally, for any privatization program to succeed, from the inception of the policy to its final implementation, the unqualified support of the existing government is absolutely necessary.

AFRICAN DEVELOPMENT LESSONS FROM ASIA¹ Afterword by Robert Wade

I'm going to talk about what drove the outstanding economic success of East Asia including Japan, Taiwan, Korea, Hong Kong, and Singapore, and the role of government policy in this success. I shall then address the critical but neglected question of what, given the awesome amount of power in the hands of the state, has disciplined the use of this power.

I think the absence of natural resources, coupled with a high population density, was one of the factors that drove the East Asian experience. Natural resources can be something of a curse. They can impede industrialization. They can especially impede the growth of manufactured exports via their effect on the wage and exchange rate.

But there is also a more indirect effect, via the politics of education.

When the exploitation of natural resources does not need much highly or basically skilled labor -- as is generally the case -- and when the natural resources are owned by an elite which has a predominant influence on the orientation of government policy - as is commonly the case -- then the extension of education through the population is likely to receive a low priority. Conversely, where there are no natural resources, a government committed to development must focus on improving the skills of the labor force.

However, there are plenty of cases where natural resources are not abundant and where education still received low priority. So we can identify heavy investment in education as the second great driver of East Asian success.

The result of this investment was to give Taiwan, Korea, and Japan unusually high ratios of basically skilled to unskilled people, and subsequently, unusually high ratios of skilled to basically skilled people. This made it possible for these countries to produce manufactures for export on a large scale, because these exports require large relative quantities of basically skilled labor.

One of the things that figures on the educational level of the labor force do not show is the quality of this education or even whether it is vocational or non-vocational education. In Taiwan, a very high proportion of the population had secondary or tertiary education in science, technology, and engineering.

¹ Adapted from "East Asia Industrialization: Lessons for African and other developing countries," seminar given by Robert Wade at the U.S. State Department, Washington, D.C., August 28, 1991.

What I'm saying about the importance of education is well known in general terms, but I'm making a more specific point. The standard theory of comparative advantage says that what matters is the relative endowment of land, labor, and capital, and labor may be segregated into various kinds of skills. But some recent work by my colleague, Adrian Wood, at the Institute of Development Studies at the University of Sussex, and also by Liverpool economist Patrick Minford, suggests that what matters to comparative advantage, especially within industry, is the skill level of the labor force. You can put machines on ships and send them around the world and you can borrow money to buy them. So a country's (physical) capital endowment is not a key determinant of the kinds of products which are socially profitable to make there. The key determinant, rather, is the endowment of skilled people to make those machines work year after year. If the country doesn't have a large supply of relatively cheap, "basically skilled" labor, labor which is literate, which has basic numeracy skills, and so on, you can forget about manufactured exports. They won't happen.

Now, skills can be built up not just by formal education, but also by a learning-by-doing effect. One of the most telling details in Alice Amsden's book

on Korea is the case of the Korean steel industry. Korea was strongly advised not to go into steel. It lacked the cheap ores and hydro of its Brazilian and Mexican competitors. Nevertheless, it went ahead in the early 1970s. It emphasized its only comparative advantage - a disciplined labor force - even sending workers into a green field to shout orders along imaginary production lines before the physical facilities had been built, so when the facilities were put in front of them,

If the country doesn't have a large supply of relatively cheap, 'basically skilled' labor, labor which is literate, which has basic numeracy skill, and so on, you forget about manufactured export.

they knew exactly what to do. The Koreans and the Taiwanese have given a great deal of emphasis to this notion that you can, in a sense, stretch comparative advantage beyond the formal endowments of educated people by learning by doing.

The phenomenal increase in education, especially of engineers, has not been entirely because of consumer preferences. The Taiwan government has steered the demand for education through a series of manpower plans. What is more, some of the targets have run counter to social demand. For example, post-junior-high-school enrollment in vocational institutions have expanded much faster than enrollments in academic institutions. In 1963, the ratio of enrollments in vocational to academic institutions was 40:60. By 1986, that ratio had been turned about to 69:31. The government was deliberately restraining the growth of academic institutions.

What about the trade regime? Most economists consider that a country's trade regime is a primary determinant of its development success or failure. I consider that a country's stock of basically skilled workers relative to the stock of unskilled workers is the primary determinant, with trade regime coming in as a modifier. Take Korea and Sri Lanka in the early 1960s, for example. They looked roughly the same in terms of endowments of natural resources, capital and labor skills. But Korea has had fast growth of manufactured exports, while Sri Lanka has not. Here the trade regime matters: Sri Lanka's discriminated against manufactured exports, Korea's did not.

This is emphatically not to say that Korea and Taiwan had near free trade regimes, however. Both governments used the trade regime to steer industrialization, using both

tariffs and non-tariff barriers. There is a great deal of misinformation abroad about the trade regimes of these countries, misinformation which is cultivated by the governments to conceal how much real protection there has been. East Asian trade regimes are inconsistent in important ways with even a modified version of the standard economist's account of what a good trade regime looks like.

In Taiwan in 1984, after successive waves of much advertised trade liberalization, over 50 percent of Taiwan's imports by value were still covered by quantitative restrictions of one kind or another. The most comprehensive of these quantitative restrictions required prior approval by either the maker of domestic substitutes or by a government department as to whether that import should be allowed. For example, until 1987, all steel imports into Taiwan had to be approved by China Steel, the big public steel-making firm. This is replicated across many other key imports.

Taiwan has not been an unusually low-protection country, and still less has Korea. Neither has Japan. It is amazing and even scandalous that the distinguished academic theorists of trade policy like Jagdish Bhagwati, Anne Krueger, James Riedel, and many others have not paid close attention to the East Asia trade regimes. They have not tried to reconcile these facts about East Asian trade regimes with their core prescription for sensible development policy. The reason why this neglect of what is, prima facie, a set of contrary cases is so serious is that trade policy is not just one policy among many. It is, according to these theorists, the queen of policies. Get your trade policy right, and everything else will be much easier.

How was it then, that Taiwan and Korea apparently were able to avoid being damaged, to a significant degree, by the predicted neoclassical costs of protection? The answer is, a great deal depends on how the protection is organized, and what conditions are attached to the

granting of it. The key point about the East Asian protective regimes is that the policies of protection operated in a context of a strong government emphasis on exports. The government created a special regime for exporters that allowed them to attain imported inputs quickly and at near world market prices. Moreover, it came to take export performance of firms as a general criterion for all kinds of discretionary judgments. A firm could lay out its export record, and according to that record could get more or less help from the government on nonexport issues.

Exporting became what in the language of a game theory is called a focal point for government-business relations, with players on both sides knowing that export performance would be used as the key criterion for adjusting to or adjudicating unforeseen contingencies. Firms, therefore, sought to export not just because they got cheap bank credit in line with their export volumes, but also in order to build up credit in their future dealings with the government. Even firms enjoying protected domestic market sales were under pressure to enter export markets. Indeed, the sheltering of their domestic sales allowed them to practice discriminatory pricing, charging higher prices on the domestic market and using the higher profits to subsidize exports, which then allowed them to gain economies of scale and experience in competing in international markets.

Even in some heavy upstream industries, where firms directly exported rather little and where they enjoyed substantial protection, firms were under competitive pressure to lower their costs to international levels. Pressure was applied continuously on the upstream people

to bring their costs down because they knew that if the exporters could show that they were harmed in international markets, the government would probably allow more imports for a period. The exporters would go to the government (e.g., the Industrial Development bureau in Taiwan, the Ministry of Trade and Industry in Korea), and they would petition the government to allow in more imports, saying that their export prospects were being harmed because they were having to pay substantially more than world market prices for their imports. In this way, the upstream people who didn't export were indirectly exposed to international competitive pressure.

And, in this way, the government attempted to balance the competitiveness of present-day exports and the need to change the industrial structure toward higher value-added activities, especially in the upstream sectors, at rates that were faster than unguided market decisions alone would produce.

Given all this power in the hands of officials, why has it not been misused relative to the way public power has been misused in, say, the Philippines and India? First, these regimes were committed to private property and to the market as the basic mechanism of resource allocation. Second, there was the discipline of a rapidly growing pool of technically educated manpower. Third, they were culturally fairly unified countries compared with many other developing countries,

especially much of Africa. And fourth, perhaps most important, the civil service had a culture of social responsibility that was inculcated by the education system. So the education system comes in yet again as a key factor.

The schools in East Asia were responsible both for developing an

intellect and for developing a conscience, and they did this by means of the explicit teaching of ethical rules. There is not equivalent in the West, where the teaching of morality is, in comparison, almost completely lacking. High prestige has accrued to public officials because they are considered to embody the idea of social responsibility. And it is still the case today that many of the best and brightest still opt for a low-paid civil service job rather than a more lucrative one in private industry. The civil service operated within a larger structure of state/society relations that allowed it to operationalize this sense of social responsibility with a relatively little concession to narrow interest groups. There were plenty of business associations and industry associations. They were sponsored by the state and they acted as the arms and legs of the state, implementing schemes of quality control, collecting information and so on. They did lots of useful things, but they did not have enough independent power to be able to press their demands on the state in particularistic kinds of ways.

In conclusion, here are six points of advice for governments of low-income countries, which emerge directly from East Asia's experience.

1. Get agriculture moving. The East Asian success could not have happened, especially given the high level of population density, if they had not had very productive agriculture giving average yields of 4 to 6 tons per hectare. These yields allowed resources to be extracted from agriculture and also provided a source of demand for manufacturing products. If agricultural productivity and output is not raised in most low-income countries, it is unlikely that dynamic development can be initiated.

2. Be aware of the dangers of natural resource wealth, and study how some countries like Malaysia seem to have managed to avoid these dangers.

"Sheltering of their domestic sales allows them to practice discriminatory pricing, charging higher prices on the domestic market and using the higher profits to subsidize exports, which then allowed them to gain economies of scale and experience in competing in international markets."

3. Raise the ratio of basically skilled to unskilled people. The government must promote literacy, numeracy, and then technical education in the labor force. Without high levels of literacy and other indicators of basic education, there will be not significant growth of manufactured exports. Bangladesh, for example, is not going to have any economy-transforming growth of manufactured exports until there is a much greater diffusion of skills in the population. To have manufactured exports, you must have an abundance of basically skilled people.

4. In manufacturing, first emphasize new products for the domestic market (which can later be exported). I find it very implausible that African countries, especially with the current levels of real wages, can go straight into markets for manufactured exports on any significant scale.

5. The government should establish some sort of equivalent to Taiwan's Industrial Development Bureau, Korea's Ministry of Trade and Industry, Japan's MITI. The government needs some kind of pilot agency, located in the heart of government, given a lot of importance and prestige, lobbying for a long-term perspective to be taken and seeking out, then disseminating information about national supply capabilities and foreign markets. Taiwan has a marvelous institution called the Science and Technology Advisory Council. This is a microcosm of the sort of institutional innovation that can be done elsewhere. The Science and Technology Advisory Council consists of 7 to 10 foreign experts and Taiwanese counterparts on the science and technology issues that are relevant to Taiwan, people like

the former president of Texas Instruments, former French minister for science and technology, a former White House science advisor, a former senior vice president of IBM, and so on. They have two functions. One is to bring to the attention of their Taiwan counterparts, developments in the world at large that are relevant to Taiwan. The second is to scrutinize proposals coming from Taiwan (what kind of robotics to make?) In terms of their knowledge of the rest of the world.

6. The government has to be persuaded of the importance of formulating and then pushing on the population at large, a vision of a more developed society 25 years down the line. That's the kind of time that one is talking about before significant change can be brought about.

አጠቃላይ የማክሮኤኮኖሚ አፈጻጸም በኢትዮጵያ (አዎር ቅኝት) ሰዲድ ኑሩ

በአለፈው "የላሳን ኢኮኖሚክስ" እትም ላይ እንደገለጸኩት ሁሉ የምጣኔ ሀብት ሳይንስን በጽሁፍ ደረጃ በአማርኛ ቂንቂ መግለጽ አስቸጋሪ ነው። ነገር ግን የማይቻልን ጉዳይ መጥከር አስቸጋሪ የሆነን ጉዳይ ደግሞ መፍታት ይቻላል በሚል እምነት የኢትዮጵያን አጠቃላይ የማክሮኤኮኖሚ አፈጻጸም በአማርኛ ቂንቂ ለመዳሰስ ሞክራለሁ።

አብዛኛዎቹ የአማርኛ ቃላት የእንግሊዝኛውን ቃል በትክክል ላይተኩ ይችላሉ። በመሆኑም የጽሁፉ አጠቃላይ ጭብጥ በርካታ እንባቢያንን

ከመሳብና የምጣኔ ሀብት ሳይንስን በአማርኛ ለመግለጽ ከሚደረግ ጅምር አንጻር እንዲታይ እንባቢያንን እጠይቃለሁ።

የአንድ አገር የኢኮኖሚ ልማት (economic development) ደረጃ ከሚገለጽባቸው ጉዳዮች መካከል የኢኮኖሚ እድገት (economic growth) ወይም የነፍስ ወከፍ ገቢ እድገት፣ የገቢ ክፍፍል (distribution)፣ የሥራ አጥነት ሁኔታ፣ የድህነት ሁኔታዎችና የመሳሰሉት ይገኛቸዋል። ከኢኮኖሚ ልማት ባሻገር የአንድ አገር ሁለንተናዊ

የሰብአዊ ልማት (human development) አፈጻጸም ሲታይ ከላይ ከተጠቀሱት ጉዳዮች በተጨማሪ የሰብአዊ መብቶች፣ የመምረጥና የመመረጥ እንዲሁም ሌሎች ዲሞክራሲያዊ መብቶች፣ የአካባቢ ጥበቃና የመሳሰሉት የሚካተቱ ይሆናሉ።

የአንድን አገር የኢኮኖሚ ልማትም ሆነ ሁለንተናዊ የሰብአዊ ልማት አፈጻጸም ለመለካት አስቸጋሪ ቢሆንም በቀጥታም ሆነ በተዘዋዋሪ መንገድ ሌሎች መስፈርቶች ይካተቱበታል ተብሎ

ለመለካት አስቸጋሪ ቢሆንም በተጥታም

የሚታመንበት የኢኮኖሚ ዕድገት አመልካች በተለያዩ አገሮች ይዘጋጃል።

በዚህም መሠረት የኢትዮጵያን የብድር ወጪ ማጠቃለያ (National Income Account) መሠረት በማድረግ በኢኮኖሚ ዕድገት ዙሪያ የዋና ዋና አመልካቾችን ዕድገትና ባህሪ ለመቃኘት እሞክራለሁ። ተጨማሪ መረጃዎች በተገኙ መጠን የብድር ወጪ ማጠቃለያው በኢኮኖሚ ልማትና ትብብር ሚኒስቴር ማስተካከያ ስለሚደረግበት በተቻለ መጠን በቅርብ ጊዜ ተስተካክሎ የወጣውን መረጃ ለመጠቀም ሞክሮያለሁ።

ሆነ በተዘዋዋሪ መንገድ ሌሎች

የኢኮኖሚ ዕድገት (Economic Growth)

የኢትዮጵያ ኢኮኖሚ የተመሠረተው በግብርና ላይ እንደመሆኑ መጠን ከአገራት ያልተጣራ የአገር ውስጥ ምርት (GDP/ጂ.ዲ.ፒ) በአማካይ 52% የሚሆነው የግብርናው ክፍለ-ኢኮኖሚ ድርሻ ነው። በተጨማሪም ሌሎች ከፈላጊ-ኢኮኖሚዎች በተጥታም ሆነ በተዘዋዋሪ በግብርናው ክፍለ-ኢኮኖሚ ላይ የተመሠረቱ ናቸው። ነገር ግን የግብርናው ክፍለ-ኢኮኖሚ ኃላ ቀርና በተፈጥሮ ላይ ከፍተኛ የሆነ ጥገኝነት ስላለው ተፈጥሮ ፊቲን ባህሪ ጊዜ የግብርናው ምርት ይወድቅና አጠቃላይ የአገር ውስጥ ያልተጣራ ምርትም በዚያው መጠን ይወርዳል።

መስፈርቶች ይካተቱበታል ተብሎ

ከዚህ በታች በወንጠረዥ 1 ለማስተዋል እንደሚቻለው የአገር ውስጥ ምርት የዕድገት ምጣኔ የግብርናውን ክፍለ-ኢኮኖሚ ተጨማሪ እሴት (value added) የዕድገት ምጣኔ የተከተለ ነው። ለምሳሌ የግብርናው ክፍለ ኢኮኖሚ ዕድገት ባሳየባቸው በ1975፣ በ1978፣ በ1979፣ በ1985 እና በ1988 ዓመታት ያልተጣራ የአገር ውስጥ ምርት ከፍተኛ ዕድገት ያሳየ ሲሆን የግብርናው ክፍለ-ኢኮኖሚ ተጨማሪ እሴት የዕድገት ምጣኔ በወረደባቸው በ1976፣ በ1977 እና በ1986 ያልተጣራ የአገር ውስጥ ምርት የዕድገት ምጣኔ ከዚህ በታች ወርዷል።

ወንጠረዥ 1፣ የምርት ዕድገት

ዓመት	ግብርና			ኢንዱስትሪ		አገልግሎት ሰጪ ክፍለ ኢኮኖሚ		ጂ.ዲ.ፒ በ1973 የማምረቻ ወጪ		ዕውነተኛ የኑፍሰ ወከፍ ገዢ		ጂ.ዲ.ፒ በጊዜው የገበያ ጥጋ
	ምርት በሚ/ብር	የዕድገት ምጣኔ	ከጂ.ዲ.ፒ በመቶኛ	ምርት በሚ/ብር	ከ ጂ.ዲ.ፒ በመቶኛ	ምርት በሚ/ብር	ከጂ.ዲ.ፒ በመቶኛ	በሚ/ብር	ምጣኔ	ብር	ምጣኔ	
1973	5384.81	-	57.75	1011.80	10.85	2927.94	31.4	9324.55	-	257.6	-	10079
1974	5189.69	-3.6	55.36	1097.52	11.71	3086.80	32.93	9374.01	0.53	251.6	-2.3	10635.8
1975	5895.23	13.6	57.09	1162.21	11.26	3269.06	31.66	10326.5	10.16	269.3	7.0	11775.4
1976	5155.78	-12.5	53.29	1231.74	12.73	3288.27	33.99	9675.79	-6.30	245.1	-9.0	10987.6
1977	4078.95	-20.9	46.70	1284.75	14.71	3371.00	38.59	8734.69	-9.73	214.5	-12.5	13026.5
1978	4732.45	16.0	49.31	1369.11	14.27	3495.75	36.42	9597.31	9.88	228	6.3	15575.2
1979	5620.22	18.8	51.33	1478.54	13.50	3846.97	35.16	10948.73	14.08	251.9	10.5	14391
1980	5464.74	-2.8	49.92	1422.39	12.99	4060.72	37.09	10947.85	-0.01	246.1	-2.3	14970.5
1981	5521.05	1.0	50.25	1328.08	12.09	4137.25	37.66	10986.38	0.35	237.9	-3.4	15742.1
1982	5814.24	5.3	50.86	1265.19	11.07	4353.3	38.08	11432.73	4.06	240	0.90	16825.7
1983	6114.88	5.2	55.90	1024.04	9.36	3799.2	34.73	10938.12	-4.33	222.6	-7.3	19195.3
1984	5947.56	6.1	56.46	951.22	9.03	3635.79	34.51	10534.57	-3.69	207.5	-6.7	20792
1985	6308.27	-3.7	53.47	1221.95	10.36	4268.53	36.18	11798.74	12	225.2	8.5	26689.9
1986	6077.99	3.4	50.65	1307.16	10.89	4614.2	38.45	11999.35	1.7	221.8	-1.5	28335.4
1987*	6284.01	14.6	49.70	1412.55	11.17	4947.76	39.13	12644.32	5.38	226.5	2.1	34063.4
1988*	7204.6	5.8	52	1492	11	5292.1	8	13988.6	10.6	242.8	7.2	38117

*ዓመት የገጠማዊ የኢኮኖሚ ልማትና ትብብር ሚኒስቴር

በአለፉት አሥራ አምስት ዓመታት የኢትዮጵያ የልተጣራ የአገር ውስጥ ምርት በአማካይ በ3% በዓመት ሲያድግ ቆይቷል። ይህ ዕድገት ከአፍሪካ አገሮች አንጻር ሲታይ ዝቅተኛ ሲሆን በ3% ዓመታዊ የህዝብ ዕድገት ምጣኔ ስሌት መሠረትም ምንም ዓይነት የኢኮኖሚ ዕድገት አልነበረም ለማለት ያስደናገራል።

ከ1974 ጀምሮ የልተጣራ የአገር ውስጥ የነፍስ ወከፍ ዝብ ዕድገት ምጣኔ በአማካይ -0.16% የነበረ ሲሆን ከለውጥ በኋላ ማለትም ከ1984 እስከ 1988 ባለት ዓመታት ይህ የዕድገት ምጣኔ ወደ 1.9% ከፍ ብሏል። ከለውጥ በኋላ የተመዘገበው ከፍተኛው የልተጣራ የአገር ውስጥ የነፍስ ወከፍ ምርት የዕድገት ምጣኔ በ1988 የታየው ሲሆን ይህም 7.2% ነበር። ይህ የዕድገት ምጣኔ በ1979 ከተመዘገበው የ10.5% ዕድገት ሁለተኛው ነው። በተዳረገው ዓመታት ማለትም በ1978 እና በ1987 የነበሩት የዕድገት ምጣኔዎች፣ በቅደም ተከተል 6.3% እና 2.1% ነበሩ።

ቁጠባና ኢንቨስትመንት (Savings and Investment)

ለአንድ አገር የኢኮኖሚ ዕድገት የካፒታል ክምችት መጠንና ጥራት ወሳኝነት አለው። ይህን የካፒታል ክምችት ዕውን በማድረግ ሂደት ላይም ቁጠባ አንዱና ዋናው ደረጃ ነው። የልማት ምጣኔ ሀብት ጠበብቶች እንደሚሉት ለአስተማማኝ የኢኮኖሚ ዕድገት ግንባታ ካልተጣራ የአገር ውስጥ ምርት ከ13-15% የሚደርስ ሀገራዊ ቁጠባ ማረጋገጥ ያሻል።

የኢትዮጵያን የአገር ውስጥ የልተጣራ ቁጠባ (Gross Domestic Saving) ስንመለከት በተዳማዊ ኃይለ ሥላሴ ዘመነ መንግሥት ዕድገት ያሳይ ነበር። እስከ 1967 ድረስም ይህ ቁጠባ ከአገር ውስጥ የልተጣራ ምርት 13% ደርሶ ነበር። ነገር ግን ከ1967 በኋላ የልተጣራ የአገር ውስጥ ቁጠባ ከፍተኛ መዋገቅ የታየበት ሲሆን በአማካይ ሲታይ በእጅጉ ወርዷል። በደርግ የአገዛዝ ዘመን መጨረሻም 3.44% ደርሶ ነበር። ከ1984

በኋላ አንጻራዊ ቀጣይነት ያለው ዕድገት ቢያሳይም መጠኑ ዝቅተኛ ከመሆኑም በተጨማሪ ከኢንቨስትመንት (Gross Fixed Investment) ጋር ሲነጻጸር በእጅጉ በማነሱ የሀብት ክፍተቱ (resource gap) እየሰፋ ሊሄድ ችሏል። በሚጠራው 2 ለማስተዋል እንደሚቻለው በአለፉት አሥራ ስድስት ዓመታት አነስተኛው የሀብት ክፍተት በ1982 የተመዘገበው -4.15% (ከአገር ውስጥ ምርት) ሲሆን ከፍተኛው ደግሞ በ1988 የተመዘገበው -11.36% (ከአገር ውስጥ ምርት) ነው። ከዚህም የተነሳ የአገሪቱ የውጭ ዕጻ ጫና ካልተጣራ የአገር ውስጥ ምርት በመቶኛ በ1983 ከነበረው የ39.02 አገዛዝ ወደ 90.6 ሊያሻቅብ ችሏል። ይህ አገዛዝ በ1987 ወደ 81.45% በመጠኑ ቀንሶ ታይቷል። ይህ ክስተት በቅርብ ዓመታት በታየው የኢኮኖሚ ዕድገት ላይ የአገር ውስጥ ጥረት ያለውን ሚና ያደሰገዘዋል።

ሠንጠረዥ 2 :- ፍጆታ፣ ቁጠባና ኢንቨስትመንት በኢትዮጵያ (ካልተጣራ የአገር ውስጥ ምርት በመቶኛ)

ዓመት	የግል ፍጆታ	የመንግሥት ፍጆታ	አጠቃላይ ፍጆታ	የልተጣራ የአገር ውስጥ ቁጠባ	የልተጣራ ኢንቨስትመንት	የሀብት ክፍተት
1973	78.25	14.18	92.42	7.58	13.56	-5.98
1974	78.74	15.33	94.07	5.93	13.70	-7.77
1975	77.77	16.75	94.53	5.48	12.19	-6.72
1976	74.56	17.34	91.90	8.11	16.84	-8.74
1977	81.84	15.33	97.17	2.83	10.70	-7.87
1978	75.59	15.79	91.37	8.63	16.40	-7.77
1979	76.69	15.72	92.41	7.60	15.60	-8.00
1980	69.44	18.08	87.53	12.47	20.44	-7.97
1981	71.66	19.45	91.11	8.89	14.42	-5.52
1982	72.85	19.21	92.07	7.94	12.48	-4.15
1983	80.07	16.49	96.56	3.44	10.40	-6.19
1984	86.86	10.14	96.99	3.01	9.19	-6.96
1985	83.21	10.56	93.77	6.23	14.21	-7.98
1986	83.84	11.13	94.97	5.03	15.14	-10.11
1987	82.60	10.79	93.39	6.61	16.35	-9.74
1988	81.96	10.59	92.55	7.46	18.81	-11.36

ግምት ምንጭ:-የኢኮኖሚ ልማትና ትብብር ሚኒስቴር

ከዚህ በመነሳት የአገር ውስጥ ቁጠባን ለማሳደግ አብዛኛው የአገሪቱ ምርት በእህልና በጥራጥራ መልክ ተመርቶ እዚያው ለፍጅታ በሚውልበት የገጠፍ ኤኮኖሚ ውስጥ የገንዘብ ተቋማትን በማስፋፋት የቁጠባን ባህል ማስፋፋት ያሻል። በተጨማሪም ገበሬዎች ለውጫ ንግድ (export) አመቺ የሆኑ ቲሚና ጊዜያዊ ተክሎችንና አዘዳኝነትን የሚያለመብትን መንገድ መሻት ተገቢ ይሆናል።

የገንዘብ አቅርቦት /Money Supply/

ገንዘብ በአምራች ክፍለ-ኤኮኖሚው (real sector) ላይ የሚያሳድረው ተፅዕኖ በንድፈ-

ህሳብ ደረጃ እከራካሪ ነው። ከዚህም ለንጹር የገንዘብ ፖሊሲ (Monetary Policy) አተገባበር የአንድ አገር መንግሥት ፖሊሲ አውጭዎች እንደሚሰማሙበት ንድፈ-ህሳብ ይለያያል። ይህም ቁጥብ የገንዘብ ፖሊሲ (Contractionary Monetary Policy)፣ ተስፋፊ የገንዘብ ፖሊሲ (Expansionary Monetary Policy) ወይም ከሁለቱም መለስተኛ የሆነ ፖሊሲ ሊሆን ይችላል።

ሚልተን ፍራድማን እንደሚወክለው የጥሚታሪሰቶች አስተምህሮ የዋጋ ግሽበት ፍጹም የገንዘብ ክስተት (Monetary Phenomenon) ተደርጎ ስለሚወሰድ አንድ ጊዜ ከፍ ሌላ ጊዜ ዝቅ የሚል የገንዘብ አቅርቦት አይደገፍም። ይህ የግሽበት መሠረታዊ ምክንያት አይደለም የሚሉ-

ጠበብትም አሉ።

በኢትዮጵያ የመዋቅር መሻሻያ ፕሮግራም (Structural Adjustment Program) ከተጀመረ ወዲህ በአለፈው መንግሥት ክፍተኛ የሆነ ገንዘብ ወደ ኤኮኖሚው እንደገባ በመቁጠር ቁጥብ የገንዘብ ፖሊሲ ለማራመድ ተሞክሯል።

በዚህም መሠረት ከ1985 ወዲህ የገንዘብ አቅርቦትን ምጣኔ ካልተጣራ የአገር ውስጥ ምርት የዕድገት ምጣኔ ጋር ለማጣጣም ጥረት ተደርጎልኋል። በ1988 የምርት ዘመንም የገንዘብ አቅርቦት የዕድገት ምጣኔ ካልተጣራ የአገር ውስጥ ምርት የዕድገት ምጣኔ በታች ነበር።

ሠንጠረዥ 3 :- የገንዘብ አቅርቦትና ያልተጣራ የአገር ውስጥ ምርት

ዓመት	በዝውውር ላይ ያለ ገንዘብ (ሚ/ብር)	የተንቀሳቃሽ ሂሳብ ክፍችት (ሚ/ብር)	የገንዘብ አቅርቦት (M1)		የቁጠባና የጊዜ ሂሳብ ክፍችት (ሚ/ብር)	አጠቃላይ የገንዘብ አቅርቦት (M2)		የጂ.ዲ.ፒ ዕድገት (በ1973 የማምረቻ ዋጋ)
			መጠን (በሚ/ብር)	የዕድገት ምጣኔ		ሚ/ብር	የዕድገት ምጣኔ	
1974	1129.8	762.4	1892.2	-	751.5	2643.7	11.19	0.53
1975	1258.2	922.2	2180.4	15.23	860.1	3040.5	15	10.16
1976	1282.9	1096.4	2379.3	9.12	1004.4	3383.7	11.29	-6.3
1977	1358.5	1333.6	2692.1	13.15	1156.9	3849	13.75	-9.73
1978	1591.9	1587.7	3179.6	18.10	1268.6	4448.2	15.57	9.88
1979	1743.5	1820	3563.5	12.07	1245.2	4808.7	8.10	14.08
1980	1908.3	2002.5	3903.8	9.75	1327.9	5231.7	8.94	-0.01
1981	2181.8	1992.6	4174.4	6.74	1530.6	5705	8.9	0.35
1982	2736.3	2253.7	4990	19.54	1718.2	6708.2	17.59	4.06
1983	3817.4	2314.3	6131.7	22.88	1827.2	7959.2	18.65	-4.33
1984	4315.6	2529.5	6845.3	11.64	2165.6	9010.9	13.21	-3.69
1985	4885	2826.9	7711.9	12.66	2810.1	10522	16.77	12.00
1986	5158.9	3214.3	8373.2	8.58	3225.5	11598.7	10.23	1.70
1987	5843.3	4065.7	9909	18.34	4095.8	14002.8	20.73	5.38
1988	5692.3	3869.2	9561.5	-3.51	5744.5	15306	9.31	10.60

ምንጭ:- የኢትዮጵያ ብሔራዊ ባንክ ዓመታዊ መጽሔት

በደርግ ዘመን ከአገር ውስጥ ያልተጣራ ምርት ጋር ሲነጻጸር ከፍተኛ የሆነ የገንዘብ አቅርቦት ቢኖርም የዋጋ ቁጥጥርና ለግል እንሽህትመንት የካፒታል ገደብ ስለነበር ምርት በእጅጉ በቀንሰባቸው እንደ 1977 ያሉ ዓመታት በስተቀር ከፍተኛ የሆነ የዋጋ ግሽበት አልታየም። በአሁኑ ጊዜም የምንዛሪ ተመን ለውጥ ተካሂዶ የብር ዋጋ ከደላር አንጻር እንዲቀንስ ቢደረግም በቀጣይ

ዓመታት ከፍተኛ ምርት በመገኘቱና በእርግጥም ከምንዛሪ ተመን ማስተካከያ በፊት አብዛኛው ግብይት ይካኔድበት በነበረው ይፋ ባልሆነው ገበያ (parallel market) ይሠራበት የነበረው የምንዛሪ መጠን ከይፋው (official) የምንዛሪ ተመን እጅግ ይበልጥ ስለነበር ከለውጥ በኋላ የዋጋ ግሽበት በቁጥጥር ሥር የዋለበት ሁኔታ ይታያል። በአጠቃላይ በኢትዮጵያ የዋጋን

ሁኔታ በእጅጉ የሚወሰነው የምርት አቅርቦት ሁኔታ በተለይም የእርሻ፣ ጥት ዉጤቶች አቅርቦት (Agricultural Production) ይመስላል። ይህ ደግሞ ትድም ከተስተዋለዉ የነፍሪድማን አስተምሮት በእጅጉ ያፈነገጣል። በሌሎች የኤኮኖሚው ክፍሎች ላይ ያሉትን አፈጻጸሞች (performance) ወደፊት ለማቅረብ እሞክራለሁ።

MAJOR ECONOMICS NEWS IN THE LAST TWO MONTHS

I. GENERAL

The Council of Ministers discussed and allowed to enter into force the draft proclamation providing for the establishment of property fund. (The Ethiopian Herald, vol. LIVE, 250, July 9, 1998).

Ethiopia is to be one of 80 poor countries to which members of the British Public will be able to donate money to assist education, health and anti-poverty programs under the Millennium Gift Aid Scheme of Great Britain. (Addis Tribune, 305, August 7, 1998).

The Ministry of Finance said Ethiopia's gross domestic product is expected to show an increase next budget year owing to the stable agricultural and industrial conditions at present. (The Ethiopian Herald, Vol, LIVE, 284, August 18, 1998).

Minister of Finance, Ato Sufian Ahmed, said capital budget utilization of national states during the completed fiscal year was much better when compared with that of the Federal Government. (The Ethiopian Herald, vol. LIV, 282, August 15, 1998).

Ato Leikun Berhanu, General Manager of Awash International Bank, and Mr. Surgit Singh, Deputy Resident Representative to Ethiopia of the World Bank, stated that some of the economic policies of Ethiopia should be reconsidered if the private sector was to bring economic growth. (The Reporter, Vol. II, 100, August 5, 1998).

The transit and shipping sub-sector which has been off-limit to private investment is now open for domestic investors, according to the Ministry of Transport and Communications. (The Ethiopian Herald, Vol. LIV, 245, July 3, 1998).

Restrictions of capital and bans on 19 investment sectors to native Ethiopians who have taken up foreign citizenship have been lifted, Investment Authority General Manager said. (The Ethiopian Herald, Vol. 214, 274, August 6, 1998).

II. SOCIO-ECONOMIC

According to a survey conducted by the Addis Ababa Administration in 1996, only about 28 percent or 77,286 of the total number of civil servants of 278,289 employed both at the central and regional levels are women. (Addis Tribune, 300, July 3, 1998).

Teenagers in Dire Dawa town are exposed to prostitution due to financial problem and separation of their parents, the Dire Dawa Administration said. (The Ethiopian Herald, Vol. 214, 244, July 2, 1998).

The Works and Urban Development Bureau of the Addis Ababa City Administration said it will soon launch construction of diverse housing projects and payment of compensation to displaced communities with an outlay of 92.3 million Birr. (The Ethiopian Herald, Vol. LIV, 285, August 19, 1998).

Health officials recently reported that Ethiopia is facing a serious AIDS problem. The National HIV/AIDS Control Programme said in a statement that almost 2.5 million people out of the 58 million population had either developed Acquired Immune Deficiency Syndrome or carried HIV. (Addis Tribune, 307, August 21, 1998).

Over 190,000 people displaced from the Tigray and Afar regions by the Eritrean aggression require an emergency supply of food, medicine and clothes. (Addis Tribune, 300, July 3, 1998).

The Addis Ababa branch of the Ethiopian Social Rehabilitation and Development Fund said it is preparing to undertake different development projects at a cost of over 14.4 million Birr next year. (The Ethiopian Herald, Vol. LIV, 283, August 16, 1998).

III. AGRICULTURE

In Ethiopia, food aid is needed by over 5 million vulnerable people, including those affected by a poor 1997 harvest. (Addis Tribune 300, July 3, 1998).

Nearly 60,000 farmers have been embraced in extension programme in South Tigray Zone, the zonal agriculture and natural resources development department said. (The Ethiopian Herald, Vol. LIV, 249, July 8, 1998).

The National Fruit Research Center announced that it has discovered 36 fruit species that are more productive and disease resistant. (The Ethiopian Herald, Vol. LIV, 248, July 7, 1998).

Over 700,000 farmers embraced in the extension programme in the Southern Nations, Nationalities and People's State are engaged in agricultural activities, head of the state council reported. (The Ethiopian Herald, Vol. LIV, 255, July 15, 1998).

The Agricultural Input Supplier Agency has distributed over 1,000,000 quintals of fertilizer to eight zones this year at a reasonable price, the Nazareth-Mojo Central Input Distribution Office disclosed. (The Ethiopian Herald, Vol. LIV, 251 July 10, 1998).

The Ministry of Agriculture said 155 farmers' co-operatives were established in Ethiopia in the just ended fiscal year. (The Ethiopian Herald, Vol. LIV, 284, August 18, 1998).

Two large grain warehouses with a combined storage capacity of 79,000 metric tones are soon to be built in Sodo town and in Woreta town at a cost of 59 million Birr. The warehouses will be built by the National Food Reserve Administration. (The Ethiopian Herald, Vol. LIV, 284, August 18, 1998).

The Ministry of Agriculture says it has licensed the import of 258,354 kgs. of powder and 923,192 liters of liquid pesticides in 1990 E.C. To this end, various private and governmental organizations were licensed to import chemicals. (The Ethiopian Herald, Vol. LIV, 285, August 19, 1998).

The number of peasants joining the agricultural extension programme in Guraghe Zone has increased considerably during the current production year, a senior extension expert in the Zone said. (The Ethiopian Herald, Vol. LIV, 285, August 19, 1998).

The Coffee and Tea Authority said that various coffee producing areas in the country have supplied 155,377 tones of coffee to the central market during the just ended fiscal year. (The Ethiopian Herald, Vol. LIV, 285, August 19, 1998).

For the coming fiscal year of 1991 E.C. it was reported that Ethiopia needs 4.32 million quintals of fertilizer. The National Fertilizer Industry Agency announced that it had made the necessary preparations for the supply of the fertilizer. (Addis Tribune, 307, August 21, 1998).

IV. EXTERNAL ASSISTANCE

The United Kingdom's Department for International Development agreed to release 150,000 pounds sterling worth of emergency items such as blankets, tents and plastic sheets, and some supplementary food supplies. (Addis Tribune, 300, July 3, 1998).

The Canadian Government donated 35 million Birr for capacity building of the Disaster Prevention and Preparedness Commission (DPPC). The donation was given through the Canadian International Development Agency. (Addis Tribune, 300, July 3, 1998).

The Government of Italy donated essential drugs and other medical supplies in assistance to the Ethiopian Government in the efforts to alleviate the conditions of civilians displaced as a result of the border conflict with Eritrea. (The Ethiopian Herald, Vol. LIV, 255, July 15, 1998).

The Disaster Prevention and Preparedness Commission (DPPC) says various sections of the society, in the country (Ethiopia) handed over more than 1.4 million Birr to the National Relief Soliciting Committee. (The Ethiopian Herald, Vol. LIV, 259, July 19, 1998)

Grant agreements totally amounting to 54.2 million US dollars were signed on July 23, 1998 between the Federal Democratic Republic of Ethiopia and the United Nations Development Programme (UNDP) at the Ministry of Economic Development and Co-operation (MEDaC). (Addis Tribune, 303, July 24, 1998).

Three agreements were signed between Germany and Ethiopia on development cooperation involving grants of about 85 million Birr. (Addis Tribune, 303, July 24, 1998).

The Government of Japan handed over maintenance equipment worth over 2.2 million Birr to the Ministry of Water Resources. (The Ethiopian Herald, Vol. LIV, 275, August 7, 1998).

The Ministry of Economic Development and Cooperation (MEDaC) announced that Ethiopia signed grant agreement with 12 donor countries providing for 1,465,600 Birr during the just ended fiscal year. (The Ethiopian Herald, Vol. LIV, 284, August 18, 1998).

An agreement for a 2.7 million Birr grant was signed between Ethiopia and Switzerland at the Ministry of Economic Development and Co-operation (MEDaC) (Addis Tribune, 305, August 7, 1998).

Over 30 million Birr has so far been collected in the effort to raise funds in support of the victims of Eritrean aggression, the National Fund Coordinating Committee announced. (The Ethiopian Herald, Vol. LIV, 285, August 19, 1998).

The Addis Ababa Foreign Relation and Development Co-operation project execution office has disclosed that a project has been designed to rehabilitate Ethiopians displaced from Eritrea with a 3 million Deutsche Mark aid obtained from the European Union. (The Ethiopian Herald, Vol. LIV, 285, August 19, 1998).

In response to the emergency appeal of 14 June by the Disaster Prevention and Preparedness Commission, Carol Bellamy, the Executive Director of the United Nations Children's Fund (UNICEF) released half a million US dollars on July 27 for immediate assistance to displaced population in the Afar and Tigray regions as a result of the conflict between the governments of Eritrea and Italy. (The Reporter, Vol II, 99, July 29, 1998).

The Italian Government, as a further response to the appeal launched by the Disaster Prevention and Preparedness Commission, had decided to donate the sum of US dollar 230,000 to procure urgent assistance requirements in favor of the displaced population of Tigray and Afar regions as a result of the Ethio-Eritrea border conflict. (Addis Tribune, 305, August 7, 1998).

United States Secretary of Transportation, Rodney Slater, signed a memorandum of understanding between the US Trade and Development Agency and Ethiopian Airlines for technical support worth \$100,000. (Addis Tribune, 301, July 10, 1998).

V. BUDGET

Finance Minister Sufian Ahmed said that the country's budget for the current Ethiopian fiscal year is amounting to 11.1 billion Birr which represents an increase of 2.4 billion Birr over the budget amount of the preceding year. (The Ethiopian Herald, Vol. LIV, 260, July 21, 1998).

Hope Enterprise, an indigenous donor agency in the capital, says it has drafted and approved a 22,000,000 Birr development programme to be implemented in the coming three years. (The Ethiopian Herald, Vol. LIV, 154, July 14, 1998).

A budget of about 200 million Birr has been allocated for repair of roads to various regions and towns. (Addis Tribune, 303, July 24, 1998).

The seventh regular conference of the Amhara State Council has approved over 1,029,000,000 Birr budget for the coming Ethiopian year. (The Ethiopian Herald, Vol. LIV, 249, July 8, 1998).

The Tigray State Council wound up its 3rd regular conference approving a 403,200,000 Birr budget for the 1991 E.C fiscal year. (The Ethiopian Herald, Vol. LIV, 248, July 7, 1998).

The Ethiopian Maritime and Transit Services has allocated an additional budget of over 21 million Birr for improving maritime services at the port of Djibouti. (The Ethiopian Herald, Vol. LIV, 244, July 2, 1998).

VI. INVESTMENT

A report presented to the on-going seventh regular conference of the Southern Nations, Nationalities and Peoples State indicates 480 projects with an aggregate capital of 1.9 billion Birr were licensed over the years. (The Ethiopian Herald, Vol. LIV, 256, July 16, 1998).

Water development projects are being carried out in West Shoa Zone at a combined cost of over 3 million Birr, the Zonal Water, Mines and Energy Department said. (The Ethiopian Herald, Vol. LIV, 249, July 8, 1998).

The Head of the Oromia Region Investment Bureau Ato Tahir Aman announced that business people with a capital of 4.2 billion Birr have been issued licenses to engage in various development sectors in the Oromia Region. (Addis Tribune, 306, August 14, 1998).

The construction of the Hamares Cooking Oil Factory has been completed at a cost of 5.5 million Birr. It was said that the factory has the capability of producing 20 thousand liters of oil per day. (Addis Tribune, 307 August 21, 1998).

VII. CREDIT

Ethiopia and the People's Republic of China signed an interest free loan agreement amounting to 12.9 million US dollars for financing the foreign component of the construction of the Addis Ababa ring road. (The Ethiopian Herald, Vol. LIV, 258, July 18, 1998).

The agreement between China and Ethiopia was signed by Dr. Mulat Teshome, Vice Minister of the Ministry of Economic and Development Cooperation, and H.E. ambassador Jiyong Jenguyen, Ambassador of China agreed to assist the ring road construction by facilitating the import of construction material worth US 12.9 million in terms of loan to Ethiopia. (Addis Tribune, 303, July 24, 1998).

Alemaya University of Agriculture has entered a loan agreement of 17.2 million dollars with the government and the World Bank for execution of agricultural research training,

according to Dr. Desta Hamitto, President of the University. (Addis Tribune, 303, July 24, 1998).

Branch office of the Ethiopian Development Bank in Awassa town says it has granted 78,792,000 Birr in loans to entrepreneurs and associations engaged in various investment activities in the Southern Nations, Nationalities and Peoples State. (The Ethiopian Herald, Vol. LIV, 280, August 13, 1998).

The Commercial Bank of Ethiopia has begun to manage and supervise the activities of 11 companies owned by Eritreans who have been deported in order to indemnify their outstanding loans. (Addis Tribune, 307, August 21, 1998).

Ethiopia's Minister of Finance, H.E. Ato Sufian Ahmed, disclosed that debt cancellation negotiations with the Russian Government have entered a favorable phase. (Addis Tribune, 307, August 21, 1998).

VIII. REVENUE

Ato Gizaw Yitagesu disclosed that foreign exchange has earned an increase of 15 million Birr over the previous years earnings by exporting various agricultural products via Dire Dawa during the just ended fiscal year which valued at 427 million Birr. (The Ethiopian Herald, Vol. LIV, 259, July 19, 1998).

The Wonji Shoa Sugar Factory announced it has earned 30 million Birr in aggregate profit this Ethiopian production year. (The Ethiopian Herald, Vol. LIV, 250, July 9, 1998).

The Ministry of Finance, Ato Sufian Ahmed, announced that 6.7 billion Birr was collected from tax and non-tax revenue over the last Ethiopian budget year. (The Ethiopian Herald, Vol. LIV, 278, August 11, 1998).

The Ethiopian Customs Authority has reportedly collected 1.7 billion Birr in a period of nine months in 1990(E.C) fiscal year. (The Ethiopian Herald, Vol. LIV, 278, August 11, 1998).

The Development Bank of Ethiopia disclosed that it has made a gross profit of 90 million Birr and gave out in loans a sum of 782 million Birr during the past budget year. (The Ethiopian Herald, Vol. LIV, 278, August 11, 1998).

The Ethiopian Privatization Agency has secured an income of over 717.5 million Birr from sale to investors of different business and development organizations under its administration, Agency General Manager Beshah Azimte said. (The Ethiopian Herald, Vol. LIV, 279, August 12, 1998, 1998).

The Nazareth Customs Office collected 123.9 million Birr during the last 11 months alone. (The Ethiopian Herald, Vol. LIV, 245, July 3, 1998).

The Jimma Zone Finance Department reported that it has collected over 32,901,000 Birr in revenue during the just ended fiscal year. (The Ethiopian Herald, Vol. LIV, 286, August 2, 1998).

The Muger Cement Factory, one of the long standing factories of this country (Ethiopia) reported a profit of 837 million Birr. (Addis Tribune, 307, August 21, 1998).

IX. TRADE

Close to 500 trade licenses were issued during the past two months for applicants planning to start border trade activities on the basis of Ethio-Djibouti border trade agreement. (The Ethiopian Herald, Vol. LIV, 282, August 15, 1998).

A total of close to 1.2 billion USD has been disbursed for imported goods during the just ended fiscal year, the National Bank of Ethiopia said. (The Ethiopian Herald, Vol. LIV, 275, August 7, 1998).

Ato Neway G/Ab, Chief Economic Advisor to the Prime Minister with the rank of Minister, said that Ethiopia used to make between 10 to 15 percent in foreign trade revenue from the sale of its agricultural products to Eritrea. (The Ethiopian Herald, Vol. LIV, 252, July 11, 1998).

Eritrea used to earn up to 50 percent of its foreign trade revenue from export sales to Ethiopia alone, according to a high ranking Ethiopian Government official. (The Ethiopian Herald, Vol. LIV, 252, July 11, 1998).

X. FINANCE

Finance Minister, Ato Sufian Ahmed announced that a mechanism to minimize hard currency control will soon be put in force with a view to bolstering Ethiopia's export trade. (The Ethiopian Herald, Vol. LIV, 286, August 20, 1998).

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