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PROMOTING THE EXPORT SECTOR IN ETHIOPIA

In This Issue

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From the Editor

LDCs are increasingly being marginalized from the fast growing global economic interaction. But with the growth of the "Global Economy", these economies are finding themselves being involved either directly or indirectly. One of the indicators of globalization is the increasing share of exports in GDP. According to the World Bank, the share of export in the GDP has increased tremendously from the 1960s to the 1990s both globally and in each region. This shows the increasing involvement of countries in world trade. Sensing the urgency of this issue the Ethiopian Government has now established the *Export Promotion Agency* under the auspices of the *Ministry of trade and Industry*. Our association also found it high time to raise this issue. Accordingly, it held its eighth *Round Table Discussion* under the theme "Promoting External Trade in Ethiopia". The EEA is happy that this crucial issue is discussed among academics, government officials and the private sector.

Under this issue four papers were presented. Ato Brook Debebe's paper highlights the historical trend of external trade in Ethiopia and the measures that the Government is currently undertaking. Ato Getinet Astatke basically gave a theoretical background of the trade issue. Ato Eskinder, on the other hand, gave us a glimpse of the private sector's story. Dr. Mwalwanda's paper will focus on global and regional aspect of international trade and the general performance of Ethiopia.

Other than the main theme three papers are presented in our regular Economic Issues/Information column. One of these papers is an Amharic translation of an interesting paper presented by David L. Lindauer under the title "Why not Africa?" at a workshop organized by the Ministry of Finance. This paper gives a critical assessment of the already identified bottlenecks for Africa's, especially Sub-Saharan Africa's (SSA), growth and tries to point out a set of obstacles that have been hindering the growth of SSA.

Major economic news is also included in our Economic News column. We are also happy to receive letters from our readers. These messages have appeared under the "Letters to the Editor" section.

Enjoy your reading.

Letter to the Editor

To the Editor, EEA

Dear Sir,

I am glad to participate in the Round Table Discussion on Trade and I felt to say something about "Promoting the Export Sector in Ethiopia".

In judging a nation's performance, time and again, we encounter, GDP, Employment, Inflation and Net exports. These are the central measures by which we may judge Ethiopia's macroeconomic performance as well.

As a contribution to the debate, I want to point out the following issues about the export sector.

I. Net-Export

Background history indicates that imports were so much greater than exports in Ethiopia nearly for the last 43 years.

The negative balance of foreign trade highly influenced the macro-economic performance of Ethiopia. Foreign trade policies aimed at promoting export were set-up to change this condition.

- Statistical data indicate that gradual improvement of exportable items was registered from 1993 to 1997, even though much more remains to be done on this particular area.

II. Promoting the Export Sector

Based on the Foreign Economic Policy of Ethiopia, proclamation for the establishment of the "Ethiopian Export Promotion Agency " was approved this year.

The Agency has the responsibility of enhancing the competitiveness of local entrepreneurs in the International market.

- The Agency undertakes promotional activities to boost export and serves as information center for trade activities.

- It renders professional support and training to exporters by undertaking studies.

- Before the approval of this Agency, the Export Promotion Council had already started performing both advisory and executive functions.

Shortly, the above mentioned points are some of the major steps taken by the Ethiopian government in promoting the export sector.

III. Why the Export Sector is promoted in Ethiopia?

1. To overcome balance of payments difficulties and maintain its improvement.

2. To give the necessary response to the international debt crisis.

3. To be competitive enough in the world-market, quantitatively and qualitatively.

IV. Tangible and Applicable Experience that We Could Learn from Developed Countries in the Export Promotion Sector.

- The problem is solved step by step, by adopting export promotion and import substitution policies.

Export promotion

Regarding export promotion we may say:

1. An essential pre-condition for the fulfillment of the export programme is the realization of the production targets set in the agricultural, industrial and mineral sectors of the economy.
2. Restraining the growth of domestic consumption of commodities to create adequate export surplus.
3. Maintenance of reasonable internal price stability.
4. Modernization of export-oriented industries.
5. Timely import of raw materials and capital equipment needed for the production of exportable goods and even supplying them at subsidized prices.
6. Relaxation or removal of export restrictions on exportable goods.
7. Provision of credit, insurance and transport facilities to exporters.
8. Special tax privileges to exporters.
9. Promotion and participating in industrial and trade fairs abroad.
10. Conclusion of bilateral trade agreements with developed countries.

I thank you.

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The Editor in Chief
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Dear Sir,

Relevance of East Asian Development Experiences.

I read the five articles on East Asian economic development experiences and current crisis in the Feb. 1999 Bulletin with curiosity and interest. The articles supplement and complement each other; the compilation by Dr. Alemayehu serves as good orientation to the basic causes of the current crisis. Even though some of the economic malpractices, which have precipitated the crisis in East Asia also, prevail in Ethiopia, Mr. Robert's article provides advisory hints on how to avoid certain economic mismanagements in case we reach their level of development status. Overall, you deserve congratulations for the timely and highly readable articles.

With the above as introductory, I have the following comments on certain issues raised in some of the discussion papers:

1. Dr. Mulatu Teshome has presented to readers of the bulletin worthwhile and relevant article. It enumerates possible lessons that Ethiopia can learn from the experiences of East Asian Countries and I hope that the high position he holds in the Ministry of Economic Development and Cooperation provides him opportunities to promote the view Dr. Mulatu points out that entrepreneurial spirit, promotion of markets and competition, government - private sector partnership, and good governance at all levels as being some of the many factors that accelerated the economic development of the East Asian Countries. Coming to the Ethiopian context, there has never been dearth of entrepreneurial spirit, especially in the last thirty or forty years. Quite a number of Ethiopian businessmen were able to practice the "catch up strategy" on their own. As illustration one has to recall the many Ethiopians who were owning and operating large farms, plantations, bank and all.

2. Although I have a lot of sympathy and respect for most of the views expressed in Dr. Befekadu's Amharic article some of the expressions sound xenophobic (Ref. P. 16, Col. I, para. 1) One observes today the presence of fewer resident foreigners in Ethiopia than there were during the Haile Selassie era. The country has to be more welcoming to foreigners, both natural and legal, who may serve as 'Catalysts' for competition, entrepreneurship and injection of the 'catch up spirit' in indigenous businessmen/businesswomen. Most foreigners in the country reside in Addis Ababa working for international organizations, diplomatic missions and NGOs. And if we take out these and their dependents from the total number of resident expatriates, the balance or those engaged in the private sector will be small. Since the age is the age of globalization a more friendly and welcome atmosphere to foreigners will assist us to join the main stream of world economic development and thus avoid the prospect of marginalisation. A watchful and private sector friendly government has to make sure that the national interest is not compromised in dealing with foreigners.

3. There is no denying that there are many lessons that Ethiopia can learn from the economic development experiences of East Asian countries. Nevertheless, there are certain conditions and characteristics that make these countries different from Ethiopia. If not all of them, most of them are geographically smaller than Ethiopia and inhabited by peoples of more or less the same ethnicity. As could be appreciated, it is easier to mobilize small sized countries with more or less homogeneous cultures and customs for economic development and etc. than larger and multi-ethnic countries. None of the articles draw attention to these factors. Nevertheless, I guess the Ambassador of Japan may be referring to them when he states, 'the applicability of the late nineteenth century Japanese development model to Ethiopia is limited--.' Although Dr. Mulatu downplays the significance of 'Cultural Characteristics' in the economic development of East Asian countries, his expressing of "Strong Community ties as being one of the most critical factors underlying rapid industrialization" brings to the mind societies of more or less same cultures, values and etc..

My contribution to the list of country experiences from which Ethiopia can draw valuable lessons is India. It is large and multi-ethnic like Ethiopia. It is also reputed to be the 'world's largest democratic country'. Parallel to this distinction, India has scored tremendous economic success in the last thirty or forty years from which we may have a lot to learn.

Wishing you success in all your endeavors,

Sincerely,

Fanuel Deggie

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ETHIOPIA'S EXPORT SECTOR: PERFORMANCE AND PROSPECTS

By
Brook Debebe
Vice Minister of Trade and Industry

Introduction

Theories of economic development did advocate import-substituting industries in order to increase productivity and diversify the production structure. Countries like Turkey, Chile and Brazil followed this strategy. However, the growth rate initially registered failed to be sustainable and their emphasis shifted to export-led growth. As noted in the Trade and Development Report (1998),

Today the emphasis has shifted to improving export performance. It has been increasingly recognized that, given the limited size of domestic market and the dependence on the import of intermediate and capital goods. Expanding export capacity and increasing international competitiveness are vital for rapid growth and development.

The East Asian countries, namely South Korea, Taiwan, Hong Kong, and Singapore are success stories of export development growth. Given the East Asian crisis a lot can be said but this topic should be treated separately.

The need for export development as economic growth strategy has been accepted since some three decades back. The issue, rather, is how to go about it. On the outset, export development cannot be treated in isolation. It is the resultant effect of macro economic policies, the level of skill and technology. In recent jargons it is "getting the fundamentals right". It is also a factor of peace and stability, especially in the Sub-Saharan Africa.

The Performance of Ethiopia's Export Sector

In Table 1 below, Ethiopia's import and export statistics is presented. The main conclusions from the table as follows.

a) In 1984-1990 the average annual import was USD 880.3 million while it was USD 726.9 Million in 1991-1997.

b) In 1984-1990 the average annual export was USD 392.6 million while the 1991-1997 annual average was USD 355.5. Million.

c) In 1984-1990 the average annual trade deficit was USD 642.6 million while in 1991-1997 period the average deficit was USD 351.4 million.

The trade deficit has not worsened during the 1991-1997 period as compared to the period covering 1984-1990. The two periods are in fact not comparable as the economic and political fundamentals were completely different. Even on discussing the 1991-1997 period, we have to look at the period 1991-1993 and that of 1994-1997 separately because of the following factors.

a) The period 1991-1993 was a period of stabilization, taking the nature of the change in government. It is true that during this period some elements of a free market economy, especially price deregulation was put in place and the role of public enterprises was minimized.

b) During 1994-1997 major economic policy changes were introduced. The devaluation of the Birr and its successive depreciation, the availability of foreign exchange, the relatively active participation of the private sector, and other initiatives in areas of price, investment, labour, banking and insurance, etc. were the major ones. Because of these changes export grew from USD 330.0 in 1995 to USD 616 million in 1997.

Given the expected supply lag, the response of the export sector to the economic reform programs is encouraging. However, when we compare the foreign exchange earnings of Ethiopia and that of Kenya (USD 2.1 billion), Mauritius (USD 1.7 billion), Ghana (USD 1.5 billion) and Uganda (USD 671 million) a lot remains to be done, especially given the fact that the resource endowment of these countries is less than that of Ethiopia. *(Continued on next page.)*

This is the second issue of the second volume of Economic Focus. While we are proud to have successfully completed our first year, we hope your support and contributions will continue to make Focus an even better magazine. So please write to us about what you think about our magazine and where it needs improvement.

Table 1. Total Value Of Imports, Exports And Re-Exports And Visible Balance Of Trade, In millions of USD

YEAR	IMPORT	EXPORT	TRADE BALANCE
1984	942.6	417.0	-525.6
1985	985.5	337.8	-650.7
1986	1100.8	464.3	-636.5
1987	1101.2	370.6	-130.6
1988	1085.0	421.1	-663.9
1989	952.7	441.1	-511.3
1990	1076.1	296.5	-779.6
1991	471.8	188.0	-283.8
1992	465.3	118.0	-347.5
1993	665.3	174.0	-491.3
1994	902.5	330.0	-572.5
1995	183.3	457.9	274.6
1996	1324.3	604.6	-719.7
1997	1075.9	616.0	-459.9

Source:- Statistical Abstract 1997
Exchange rate 1969-1991 = 2.07 for one USD
Average rate 1992/93 = 4.27
Average rate 1993/94 = 5.79
Average rate 1994/95 = 6.25 "
Average rate 1995/96 = 6.32
Average rate 1996/97 = 6.51
Average rate 1997/98 = 6.88

Ethiopia's export is largely dependent on one product, coffee, which accounted for 60.1% in 1994/95 and 67.6% in 1997/98. The increase in the share of coffee can be attributed to increased supply due to policy reforms, and favourable international prices.

Hides and skins had the second place for a long time but dropped to third place in 1996/97. Its share dropped from 13.5% in 1995/96 to 9.7% in 1997/98, because of the East Asian and Russia's financial crises.

Exports of three products, namely oil seeds and pulses, meat and horticulture are growing at a higher rate than all other products. The share of oil seeds and pulses in total export has gone up from 6.2% in 1994/95 to 10.8% in 1997/98.

Table 2. Export Value of Major Commodities

Commodity	94/95	95/96	96/97	97/98
Coffee	1,880,756	1,744,566	2,336,814	2,840,350
Hides and Skins*	403,331	384,666	424,306	409,223
Pulses & Oils Seeds	194,965	259,528	246,498	452,378
Horticulture	33,312	24,158	40,226	60,208
Fruit & Vegetable	31,031	22,644	40,129	59,507
Flower	2,281	1,514	97	701
Others	583,785	397,102	466,884	377,723
Total	3,129,461	2,856,178	3,554,954	4.200,090

*Includes Leather Products

Table 3. Share of Commodities from Total Export

Commodity	94/95	95/96	96/97	97/98
Coffee	60.1	61.9	65.7	67.6
Hides and Skins*	12.9	13.5	11.9	9.7
Pulses & Oils Seeds	6.2	9.1	6.9	10.8
Horticulture	1.06	0.84	1.132	1.43
Fruit & Vegetable	0.99	0.79	1.129	1.41
Flower	0.07**	0.05	0.003	0.02
Others	18.7	13.9	13.1	9.0
Total	100.0	100.0	100.0	100.0

* Includes Leather Products ** Have problems of computation

Dependency in few export commodities, especially primary commodities, suffer two major problems. First, these products are susceptible to the vagaries of nature and international price movements, and, hence are unpredictable source of foreign exchange. Second, commodity exports are not supportive of technology transfers (unlike merchandise export).

The share of manufacturing exports is around 15 percent. The performance is sluggish despite favourable policies. The Birr has been devalued from 2.07 Birr to 5.00 Birr to the Dollar in 1993 and has been depreciating over the last four years and now stands at 7.50 Birr to the dollar. This, by African standard, can be said stable and not as such overpriced (as compared to the parallel market). It is true that stable and under-valued exchange rate is beneficial to export development, however, unless gradual, its effect on other economic sector is negative. The devaluation and its subsequent depreciation should have contributed to increased volume of manufactured exports as the terms of trade is in favour of exports. However, the response of the manufacturing sector remained weak because of structural and orientation problems. The UNCTAD report amply states the problem.

...Many of the existing manufacturing industries in Africa were established in the context of import substitution strategies. Much of their capacity is unviable because of rapid shifts over the past decades in the global and national policy environment and changes in some of the key parameters affecting their competitiveness. The lack of positive response to such shifts reflects, to a greater extent, the failure of these industries to advance beyond the infant industry stage and their continued dependence for survival on protection and on provision of foreign exchange earned by the primary sector or secured through foreign aid. Restructuring such industries into efficient and competitive units calls for substantial investment in both physical and human capital.

The above statement explains the problem facing the industrial sector in Ethiopia though the protection, the subsidy and the monopoly situation they enjoyed, no more exists.

Ethiopia's Export Potential

In the medium term Ethiopia's export will still rely on the agricultural sector. The following are some of the agricultural products with high potentials for increased exports.

Coffee: The volume of coffee has been growing over the last four years. The devaluation of the Birr, extension program, good weather and relatively favourable international price can be taken as the main factors. New plantations in some regions will start supplying the domestic market and this will lead to additional exports from the known coffee producing areas. Given the availability of land and forest coffee, additional production is possible. The move towards more washed coffee, the improvement in quality and possibility of entering the niche market will help increase the value of coffee. The market share of Ethiopia in the world market is about 2.5 percent. This can be doubled very easily given appropriate strategy.

Horticulture: Though limited in scale, Ethiopia exports horticultural products. However, to date green beans accounts for 95 percent, open field flowers about 5 percent and currently Ethiopia is exporting cut roses (grown in green houses). The country has a good resource potential and seasonal advantage. Horticulture is usually small-to-medium farm activity and the use of outgrowers is a common practice in countries like Kenya and Zimbabwe.

The completion of the air fields at Arba Minch and Axum and the existing airports at Bahirdar, Gambella, Dire Dawa, when fully equipped with cold storage facilities, will open wider areas which are suitable for horticulture production.

Cotton: Cotton can grow in most parts of the country. The international demand for cotton products is high and increasing. Targeting cotton for export will encourage producers to improve quality and cost of production to be competitive in international market. This will enable the domestic textile factories to get good quality cotton at a reasonable price.

Livestock: Ethiopia's livestock population is quite high – tenth in the world and first in Africa. However, the contribution to the export sector is limited to semi-processed hides and skins. Poor animal husbandry and lack of the necessary infrastructure have been factors for the low performance of this sub-sector. The sub-sector's contribution to export includes meat, processed hides and skins, leather garments, and the by-product bones for fertilizers, horns, etc.

The above are four examples of the agricultural potentials. The list could include oilseeds and pulses (Ethiopia's second major export), maize, and others. The need to exploit this potential emanates from the following reasons.

- The first is ensuring sustainable agricultural development policy. Market for the agricultural sector has to be secured; export will help to absorb the surplus and hence production growth without price collapse can be ensured.

- The second is that there is no choice, in the short run, than to increase foreign exchange earning through intensification of agriculture. Manufacturing export needs a longer lag period while minerals might take a shorter period but, what will be discovered and when, is uncertain.

Manufacturing Exports

Manufacturing export is a reliable foreign exchange earner. The price of industrial exports can be said to be stable as compared to agricultural products; it has expanding market and its contribution to overall economic development is quite high. Thus, in the long run, manufactured export is the best option. Because of the comparative advantage of the country, there is a need to initially concentrate on agro-processing. In the short-to-medium term the concentration should be on clothing and leather.

Clothing: To some, it is a beaten path to industrial development. For Ethiopia, with abundant labour force and low wage coupled with the sector's low technology requirement, is a good entry point. The idea is to start with CMT (cut, make and trim) services. In obtaining experience and confidence, local textile industries will supply the fabric.

Leather: Ethiopia has been exporting semi-processed leather for a long time. By moving to finish leather and leather products, additional value added can be obtained.

The market for clothing and leather grows with income. Given the world's income growth rate, there will be export market. To realize export potential of these and other products, product specific program has to be designed and implemented, which is currently being addressed.

Problems Facing the Export Sector

Market Access

There is a lot of discussion on globalization, as if the whole world is open for trade. Even among the developed countries it has not been smooth. Europe, America, Japan etc. are still not that open for some products. There are still tariff and non-tariff barriers and more so on products from LDC's. Thus, when discussing exports these barriers have to be noted. The governments of LDCs should use bilateral and international foras to get a better market access. Ethiopia's foreign policy is to strengthen bilateral and multilateral economic relations. This has resulted in new markets for the country's export.

Transaction Costs

Transaction costs include transport, maritime and transit services, port charges, insurance, bank charges, etc. To export, especially primary products, which is of high volume and less value, the transaction costs range from 40% to 60%. The highest cost element, the transaction cost, could be attributed to the uncompetitive nature of the domestic service sector. This problem will be solved when the private sector undertakes investment in activities that will reduce cost. Encouraging development is observed in trucking activities.

Infrastructure

Poor infrastructures such as roads, telecommunications and power also contribute to the high cost transaction. When roads are not in good condition the turn-around time becomes longer and hence charges per kilometer become higher. In telecommunications and power the problem is not the price but the availability of the service. Without modern telecommunications, export and import become virtually impossible. To upgrade and modernize this infrastructure major investment programs are being undertaken. These programs are expected to give tangible results within the coming five to seven years.

Service Delivery

The provision of service by parastatals, the government and even the private sector need to improve further. Processing an export document in Malaysia takes 15 minutes because they have one shop approach. In our case sometimes it was taking days if not weeks. Our exporters could not be 'Just in Time' which is the motto of international trade. On the government side some procedures were totally abolished and some are streamlined and further work is being carried out in this area.

Investment

Export sector development requires a higher level of investment and link between trade and investment. In Ethiopia, the size of private investment, though encouraging, is not as many expected and what is available is not in the export sector. It appears that construction, transport, hotel and import sectors are better attractive investment areas.

As cited in the Export Development Strategy, "To encourage investors to shift their attention from the less competitive and more risky domestic trade activity, to a highly competitive and more risky domestic trade activity, to a highly competitive but less risky export markets, it is necessary to create conducive environment capable of guaranteeing higher returns for exporting companies compared to other activities".

Marketing Knowledge

Marketing knowledge is a prerequisite to international trade. Marketing, while is a concept that covers the areas from initiation of a product to its delivery to the consumer, is being taken only as a sales concept.

The knowledge of marketing in Ethiopia is limited and with this limitation entering the export market is difficult. The government is trying to solve part of the problem by establishing specialized institutions such as the Export Promotion Agency.

Skill and Management know-How

Manufacturing exports require educated, well-trained and technologically skilled manpower. Currently the private sector is attracting educated personnel from the civil service and parastatals. In-house training in skill acquisition, however, still remains. Investors should tackle this problem by liaising with specialized institutions.

These and other problems affect competitiveness not only in international market but also in our own backyard, the domestic market. That is why these problems have to be addressed. Most of the solution cited could not be taken as component of export development program *per se* but of economic development.

The Road Ahead

To successfully develop the export sector both the government and the private sector should play an active role.

The Private Sector

Notable but not sufficient activities are being undertaken by the private sector including public enterprises. In areas of manufactured export:

- The leather sector is trying to face the price collapse but they have to take care of the raw material, especially low price side as well.
- Leather garments are mainly produced to the foreign communities in Addis Ababa and visitors. It is earning foreign exchange. One company is supplying uppers to Clark Shoes, an upper market brand. As long as they are competitive in quality and price, the market is available.
- The textile sector, after years of problems, is registering some progress. Garment exports, especially T-shirts, are increasing and negotiation is underway to export bed sheets and towels. As long as they can compete pricewise, there is sufficient market for grey fabrics. However, improvement in factory productivity and quality will be required.
- For the first time, trailers were exported to Saudi Arabia, tractors to Kenya and paints to Djibouti.
- The food and beverage sector is targeting Ethiopian communities abroad. However, the scale is limited.

In the agricultural sector there are also progress being registered by the private sector.

- In the coffee sector, new exporters have joined the sector and some of them are penetrating new markets. Investment in coffee washing stations in Southern Nations and Nationalities and in Oromia regions is increasing. Some investment in coffee plantations is being carried out.
- Investment in horticulture, though limited, is helping the country to diversify the country's export. One exporter is exporting cut roses to Europe and has proved that it can be done on a big scale.
- An investor is now exporting organic sesame.
- New products such as tea and maize are entering the export market.

The above is just to mention some of the progress made by the private sector but more so to indicate new potentials and the possibility of increasing the volume and the value of traditional exports. Export related investment, such as packaging, abattoirs, cold storage and transport, should now be profitable business, given the demand.

The Government

Inputs of the government are the following. In this section only export sector interventions are indicated.

Export Development Strategy

- The objective of the strategy is to ensure sustainable agricultural development and competitive industrial development and to earn foreign exchange.
- The scope is to focus on sectors and products which have reliable markets and thus contribute to the foreign exchange earnings of the country and which have tangible impact on the overall economic development of the country.
- The targeted products from agriculture are coffee, cotton, fruits, vegetables and flowers, livestock and livestock products; from industry, textiles, especially garments, leather (garments) and meat. This priority is to define government support intervention and the list of products is not static. The list can be expanded depending on the capability of the government to provide support services and when the selected products get a firm footing in export activities. Other export products will continue to get general support and will benefit from overall export development programs and macro economic policies.
- The government will provide packaged support including, but not limited to, credit priority with lower interest rate when possible, provision of working premises and warehouses, overall government support to alleviate the problems of shortage of skilled human resource and management know-how, etc.
- Guiding the export promotion endeavor in an organized manner is also a component of the strategy.

Prior to and after the strategy, a number of steps are being taken. The following are some of them.

- To assist on issues of facilitation and marketing, the Export Promotion Agency (EPA) is established and is expected to start full-scale operation in the near future. The Ethiopian Trade Point is now incorporated with EPA.
- The Leather Technology Institute which will address issues of skilled human resource of the sector will be operational in May.
- To assist the livestock sector, Livestock Marketing Authority is on the process of establishment,

and a full-scale livestock extension program is being undertaken.

- Some plots of land and the building of Nakfa Silk Industrial Estate are being made available to exporting firms.
- Export credit guarantee scheme is now established and is operational.

Depending on the outcome of various studies underway, other support measures focussing on commodity specific strategies will be put in place.

Concluding Remarks

To ensure sustainable economic development, foreign exchange earnings and hence export development is an important factor. Given the problem facing commodity export, diversification of Ethiopia's export is essential. However, due to the low level of industrial development and the problem this sector faces currently, the alternative is to start with agricultural export. To be successful in this endeavor, sector and product specific programs should be developed and implemented. In this endeavor, the private sector has the leading role and the government will have to provide the appropriate incentives and policy directions. ■

PROMOTING THE EXPORT SECTOR IN ETHIOPIA

By
C.T. Mwalwanda*

*Dr. Mwalwanda is senior Economic Affairs Officer, Economic and Social Policy Division, Economic Commission for Africa.

I. Background

Ethiopia has, since the launching of the New Market Oriented Economic Policy in 1992, undertaken a number of measures and reforms designed to change the structure of the economy and bring about rapid economic growth and development.

The reforms which were intended to bring about short-term economic stabilization as well as structural changes in the economy have included:

- Deregulation of domestic prices
- Abolishing of all export taxes (except coffee) and subsidies
- Reduction of inflation through budgetary and monetary controls
- Significant liberalization of the foreign exchange regime
- Devaluation of the national currency
- Partial privatization of public enterprises
- Promulgation of a liberalized investment law for the promotion and encouragement of private investment, both foreign and domestic and
- Issuance of a new labour law.

The Ethiopian economy has made a remarkable recovery since the new Government took over from the Derg regime in 1992, as indicated by key macroeconomic indicators:

- Annual growth rate of GDP improved from a negative 3.2 percent in 1991/1992 to 12.0 percent in 1992/1993. Although GDP growth decelerated in 1993/1994 (1.7 percent) due to bad weather, the country has since enjoyed growth rates of above 5 percent per annum and in 1996/1997 output grew by 5.6 percent
- The export trade has registered a strong recovery (91 percent growth in 1994/1995), although many believe more can be done to liberalize trade
- The external current account deficit (excluding official transfers) was around 7 percent of GDP during 1996/1997, an enviable position compared to many other African countries
- The budget deficit, which was 7.2 percent of GDP in 1992/1993, dropped to 4 percent in 1994/1995 and further to 1.3 percent of GDP in 1996/1997(including grants)
- The rate of inflation dropped from 21 percent in 1991/1992 to below 2 percent in 1995/1996 and is believed to have turned to minus 6.4 percent in 1996/1997.

Notwithstanding these remarkable achievements, in such a short space of time, many are convinced that Ethiopia has significant potential to achieve rapid economic growth and expansion of exports and that more needs to be done by both Government and the private sector to achieve that goal. This Round Table[1]1 is indeed an important one in trying to identify the type of public-private sector partnership and relationship that is needed to achieve expansion of exports in this country.

Ethiopia has indeed indicated in its Enhanced Structural Adjustment Facility Medium-Term Economic and Financial Policy Framework Paper (PFP),

[1]Refers to the Round Table Discussion of Feb. 12, 1999 organized by the Ethiopan Economic Associatin on Promoting Export Trade in Ethiopia in which this paper was presented.

1998/1999–2000/2001, many of the policies and measures the country would need to undertake in order to attain relatively quick, broad-based and more equitable economic growth with macroeconomic stability.

The Government recognizes that promotion and diversification of exports has to be an integral part of the broad range of measures needed to achieve this goal as well as the role the private sector would need to play.

II. The Structure of Production and Export in Ethiopia

The structure of output of Ethiopia is very much like that of many African countries, with the primary sector generating a large proportion of the value added and export earnings.

- The agricultural sector accounts for nearly fifty-five percent of Gross Domestic Product (GDP), 65 percent of total exports of goods and 85 percent of employment;
- Coffee alone accounts for over 85 percent of total agriculture exports;
- The main crops produced are cereals, and oil seeds and the country's main cash and industrial crops are coffee, oils seeds, pulses, cotton, sisal, tobacco, fruits, and sugar cane.

The industrial sector (including manufacturing) of Ethiopia contributes about 10 percent to GDP and supplies for both the domestic and international markets.

- The main manufacturing products are textiles, foodstuffs, tobacco, beverages, cement, leather and leather products, wood, metallic and non-metallic products, paper, plastic and tiles.
- The main manufacturing export products include: leather and leather products, canned and frozen meat, sugar and molasses, oil cakes and petroleum products.
- Ethiopia has the potential for expanding its industrial base because of its human capital and natural resource-endowment.

The mining sector contributes less than 1 percent of GDP, but Ethiopia has the potential to expand this sector:

- The country has proven reserves of industrial minerals and precious metals such as gold, platinum, tantalum, nickel, iron ore, coal, marble, potash, cooper, silica, limestone, diatomite, bentonite etc.
- It is believed that the country may also have oil reserves.

The Services sector contributes about 36 percent of value added and is progressively becoming an important earner of foreign exchange, especially tourism.

- Ethiopia has the potential to become one of the leading tourism attractions, given its unique cultural heritage, important archaeological sites, magnificent scenery, pleasant climate and rich flora and fauna.

Ethiopia, like many other African countries, is heavily dependent on primary products for a large proportion of its export earnings.

- As already indicated, coffee export accounts for a substantial proportion of the country's export earnings.
- The country's export base depicts a high export concentration ratio, 0.575 for the period 1990-1995, which was very close to the African average of 0.504 and much higher when compared to countries like Tunisia (0.206), South Africa (0.257), Kenya (0.279) and Zimbabwe (0.292).
- The country's diversification index, which stood, during the period 1990-1995, at 0.923 also shows that the economy is less diversified, compared to some other African countries like Tunisia (0.671), Morocco (0.760), Kenya (0.772) and Zimbabwe (0.728).
- It is worth noting that many of these countries a few years ago had production and export bases that mirrored very much that of Ethiopia. However, over years, they have moved to broaden such bases. Although Ethiopia has in recent years done a lot to try and improve its international competitiveness, it is still ranked 17 in terms of "Competitiveness Index of African Countries".

- On the basis of the Africa Competitiveness Report (1998), Ethiopia was ranked seventeen, among twenty three African countries studied, with an index of 0.25, compared to an index of 0.87 for Mauritius and 0.79 for Tunisia.
- Furthermore, Ethiopia was highly ranked in terms of the "optimism index", 15.43, along side countries like Mozambique (23.13), Tanzania (20.55) and Uganda (18.88). The optimism index reflects the potential of an economy to improve its international competitiveness.
- Similarly, on the basis of the "improvement index", The Africa Competitiveness Report gave Ethiopia an index of 9.09, compared with countries like Uganda (22.69), Egypt (20.81), Tanzania (20.03), Mozambique (19.44), and Tunisia (15.96). These index measures progress made by the country to improve its international competitiveness.

III. Strategies and Policies for a Dynamic Export Promotion Programme

A dynamic export promotion program would invariably focus on a number of key policy variables including: creating an enabling environment for exporters; establishing an effective partnership between Government and the private sector; creating appropriate institutions in support of the sector; establishing appropriate links between the production sector and the export sector; improving the infrastructure; and appreciating the difficulties of exporters operating in a globalized and liberalized world economy.

An Enabling Environment

The importance of an appropriate enabling environment is generally acknowledged as an important element of an effective export promotion strategy.

- Ethiopia has already made significant strides in this respect, including deregulation of domestic prices; abolishing export taxes (except on coffee); liberalization of foreign trade; devaluation of the national currency; partial liberalization of the foreign exchange regime; and promulgation of a liberalized investment law.
- The country has also been making progress in improving the infrastructure in order to facilitate trade. The Government has embarked on a comprehensive infrastructure development program in transport, telecommunications and energy sectors. It has earmarked nearly US$ 4 billion for the improvement of roads over the next ten years.
- Excellent passenger and cargo air transport services are operated by Ethiopian Airlines.
- The country is in the process of improving its telecommunication facilities, but demand for such services is running ahead of supply.
- The country has vast hydropower and promising geothermal energy resources to support future industrialization of the economy.
- Accordingly, all forms of market-based reforms have been introduced in Ethiopia, and more inducements to both domestic and foreign private investments have been provided. The private sector is encouraged to invest in most sectors of the economy, except in areas reserved for Government.

Public-Private Sector Partnership

An effective public-private sector partnership is essential for a dynamic export promotion program and it requires appreciating the roles of each of these sectors in the economy and their complimentarity. A successful export promotion program requires a pooling together of efforts by various sectors of the economy–government, private sector, and non-governmental organizations, export promotion and investment agencies.

- A clear and transparent legislative and regulatory framework under which the private sector operates is essential for the development of this sector. Most entrepreneurs require a clear judiciary system for enforcement of contracts and clear rules and regulations. The Government has to provide such rules through such instruments as investment codes. Spelling out the legal, legislative and regulatory framework in which firms should operate is important.
- Government can also support the export sector through adoption of appropriate trade policies, promotion of technological advances and information and adoption of appropriate pricing policies.
- The role of the private sector in achieving a successful export promotion program is pivotal. It is the business community that often trades and not government. While corporate and inter-firm level decisions are essential to achieve export expansion, the relationship between Government and the private sector is also important. Where there is mistrust between the two, little progress can be achieved in this respect.

Institutional Framework in Support of the Export Sector

Appropriate institutions in support of the private sector are also crucial for an effective export promotion program. Such institutions include export and investment promotion agencies, banking system, trade financing institutions as well as export promotion agencies abroad.

Strengthening the Link between the Production and Export Sectors

Strengthening the link between the production sector and the export sector is also important. This link is usually in the form of processing and storage facilities, marketing and distribution channels, making available information on prices and production, and creating export network abroad. The most difficult aspect of an export promotion strategy is establishing links with international corporations which specialize in marketing of certain products. It is extremely difficult for an individual African exporter to penetrate markets in Europe, America and Asia. Sub-contracting has become an important aspect of international trade.

Improving Infrastructure

- Improving the infrastructure has indeed to be part and parcel of a dynamic export promotion strategy. Poor transportation and telecommunications can be a serious impediment to exporting and often add huge costs to exports. Containerization has also become part and parcel of international trade and establishing facilities to handle such cargo is imperative.

Globalization and Liberalization of the World Economy

- Appreciating the dynamics of the global economy is also essential for success in export promotion. The rules of engagement in international trade are indeed complex and often not transparent, despite the efforts of the World Trade Organization.
- Furthermore, advances in technology require that exporters keep abreast of developments in international markets as well as advances in production and marketing technologies as well as information technology. Flexible manufacturing has now become an integral part of international trade. as have requirements for certain standards in products. Understanding the complexity of these rules is one of the greatest challenges facing African exporters.

IV. Challenges for Ethiopia in Export Promotion

The Challenges that face Ethiopia in devising an effective export promotion strategy hinge on the need for the Government to undertake measures that will further improve the enabling environment for the export sector and for the private sector to take advantage of the globalization and liberalization of the world economy.

The Ethiopian Government has already undertaken a number of measures for the development of the export sector. Exports have indeed been receiving much attention in policy formulation and thinking. Furthermore, the Government is considering an array of additional measures for further encouragement of exports. An important set of these measures relates to improving access of exporters to finance, land, and free trade status.

Trade and Exchange System Reforms

Substantial liberalization of the exchange and trade system has taken place in Ethiopia. Import tariffs have been progressively reduced, and payments and exchange regulations for foreign trade in goods and services have been increasingly liberalized. In the medium term, further progress is expected to be made in tariff reduction, and the current account is expected to be fully deregulated.

- Currently, the tariff structure consists of a maximum rate of 50 percent, seven tariff bands excluding the zero-duty rate, and an average of 21.5 percent, and no discretionary duty exemptions. The maximum tariff is expected to be reduced further as well as the number of tax bands. The duty drawback scheme will be operated on a deferred payments basis–allowing exporters to import inputs at world prices upfront.
- In the exchange system, the envisaged reforms are intended to eliminate the remaining restrictions on the making of payments for current international transactions relating to education, travel allowances, and remittances.
- Another measure of exchange market liberalization will consist of elimination of the foreign exchange surrender requirement. Exporters are expected to be allowed to sell their foreign exchange receipts to any bank or foreign exchange bureau at freely negotiated rates over an extended conversion period of four weeks, and they will be allowed to retain 10 percent in a foreign currency deposit account indefinitely. Furthermore, exporters will be free to use the foreign exchange repatriated to the country for bona fide imports of goods and services within the conversion period.
- An inter-bank market for foreign exchange will be widened by allowing them to conduct all approved spot/cash (current account) transactions within the specified limits without prior authorization by the Exchange Control Department of the National Bank of Ethiopia (NBE). Furthermore, consideration may be given in future to allowing this bureau to operate outside the banking system.
- Regarding strengthening of free trade status for exporters, measures envisaged would include: eliminating price and quality preferences for domestic input suppliers and further improving the duty drawback and exemption schemes, with the aim of having a transparent, automatic, and computerized administrative system.

Financial Sector Reforms

Ethiopia has already taken major steps toward the liberalization of interest rates. The medium term aim is to move towards market determined interest rates. This process is expected to be facilitated by the creation of the "inter-bank market" and the development of a "securities market".

- The modalities of Treasury bill auctions will be modified so as to make them more competitive and allow wider participation. The interest rate on the treasury bills will be allowed to be market determined.
- Recognizing that a substantial portion of the excess liquidity of the banking system is held by the state-owned Commercial Bank of Ethiopia (CBE), a number of steps have been already taken to foster the development of an inter-bank market in local currency. In this respect, the CBE is expected to provide overnight lending to other banks to enable them to cover shortfalls in their reserve positions with the NBE. Commercial banks have also agreed in principle to provide syndicated loans and are seeking to establish a pooled rating system to assess creditworthiness of its clients. Furthermore, commercial banks in Ethiopia are working towards establishing a "Bankers" Association, whose by-laws have already been drafted. This would facilitate the creation of a vibrant money market and increase reliance on indirect instruments of monetary policy.
- Other structural reforms of the financial sector will focus on improving the environment in which banks operate, upgrade the training program for bankers, address the constraints facing banks in providing medium-to-long-term finance, and improve the capacity of the NBE to supervise and regulate financial institutions.

As regard to finance, the measures also being considered include:

- Improving restrictions on foreign suppliers'/partners' credit and on importing inputs without payment from foreign collaborators, as well as on other implicit forms of credit not involving formal loan agreements.
- Allowing all exporters of manufactures (including of agro-processed products) to obtain foreign commercial borrowing.
- Easing the constraints on debt-equity ratios for exporters by allowing National Bank of

Ethiopia to authorize exporters to exceed the limit of 60/40 that currently obtains.

- Allowing banks to open usance import letters of credit for exporters with confirmed letters.

Land Lease System

As regard to land, the authorities are considering making land available in Addis Ababa, on an urgent basis, at least ten sites with electric power for immediate occupancy by exporters.

Facilitation of Trade Flows

The Government is also considering other measures to promote exports and these include:

- Elimination of price verification for all non-agricultural exports and those agricultural exports for which verifiable international prices are not readily available
- For other agricultural exports, except coffee, the replacement of ex-ante price verification with ex-post audit, and, for coffee, the replacement of the verification of a single point price with verification of a range of prices for each variety
- Further strengthening of the important initiative of the recently established Export Promotion Council for private sector consultations by more frequent scheduling of meetings
- The simplification of procedures for non-equity collaboration with foreign firms
- The provision of any certification required from the Bureau of Standards within three days, failing which, it will be deemed to have been automatically provided
- The clearing of customs for exports in no more than three days.

Medium Term Measures

The Government is also examining a range of other measures, with technical assistance form the World Bank. These measures require further examination of details, costs, design and feasibility. These measures include:

- A set of measures pertaining to finance (collateral agreements, domestic usance finance, an import finance revolving fund, export finance guarantees, and investment finance and leasing)
- Other actions to fortify free trade status for exporters, such as a scheme for bonded manufacturing warehouses
- A set of sundry measures proposed in a World Bank study to facilitate entry into export activities, coffee and mining exports, and airfreight

Diversification of the production base has to be an integral part of any export promotion strategy. Ethiopia with a vast endowment of both natural and human resources has an advantage over many African countries, although resource endowment in itself is not a sufficient condition for achieving sustainable development.

Summary

Ethiopia has implemented a number of important reforms in order to encourage expansion of exports. However, both the Government and the private sector recognize that much more needs to be done in order for this sector to become an "engine of growth".

The array of proposed measures designed to assist the development of the private sector in general and the export sector in particular is indeed very impressive. But the taste of the pudding is in the eating. Should Ethiopia be able to implement most of these measures, the expansion of the export sector could indeed be dramatic.

A major component of success in this respect will be the extent to which Government and the private sector work together. The task of fostering more private sector development is likely to be greatly facilitated by establishing a broad-based forum for regular consultations between the private sector and the Government along the lines of the Export Promotion Council.

Notwithstanding the considerable efforts that have been made in recent years to ease regulatory constraints on private sector development and foreign investment, they remain an important area for future reform. The next step, as the Government acknowledged, will be to identify systematically the regulatory constraints and measures needed to address them and thereby decide on those that should be removed, those which need modifying and those to be retained. This process, to be successful, would need to be informed from the private sector.

Furthermore, notwithstanding the remarkable achievements this country has made in such a short space of time, many are convinced that Ethiopia has significant potential to achieve rapid economic growth and expansion of exports and that more needs to be done both by Government and the private sector to achieve that goal. This Round Table* is indeed an important one in trying to identify the type of public-private sector partnership and relationship that is needed to achieve expansion of exports in this country.

Moreover, peace and stability are necessary prerequisites for sustainable development and therefore critical for future development of this country. *(Continued on next page.)*

* *For explanation see page 10*

Table 1. Key Macroeconomic Indicators for Ethiopia

Indicator	1980	1990	1995	1996	1997	Average Annual Growth Rates		
						1980-90	1990-97	1995-97
1. Gross Domestic Product, in millions of birr, and at current prices	8,541	16,826	33,885	37,938	41,465	7.1	14.0	13.6
2. Gross Domestic Product, at Factor Cost and in millions of birr and 1990 market prices	6,548	8,608	9,611	10,757	11,327	3.6	3.9	7.6
3. Gross Domestic Investment *(% of GDP)	27.5	21.7	21.2	20.1	21.0	34.4	22.2	17.4
4. Gross National Savings (% of GDP)	..	5.6	9,7	8.9	..	6.2	6.3	9.3
5. Trade Balance								
5.1. Exports (US$ in millions)	322	292	423	438	557	0.2	15.3	14.9
5.2. Imports (US$ in millions)	499	912	1,137	1,235	1,005	8.1	11.2	22.2
5.3. Trade Balance (US$ in millions)	-177	-620	-714	-797	-448	29.0	12.6	-1.1
6. Terms of Trade (1990□100)	191	92	118	96	108	-6.1	2.8	..
7. Consumer Indices (1990□100)	65	..	184	175	..	4.7	8.4	0.4

Footnote: • Figures are annual averages * Figures are annual averages for the years 1991-1996 ** Figures are annual averages for the years 1995-1996
Source: African Development Bank: African Development Report, 1998; IMF: Balance of Payments Statistics, 1989; and IMF: International Financial Statistics Yearbook, 1998.

Table. 2 Structure of Output of Selected African Countries, Including Ethiopia

Country	Gross Domestic Product $ millions		Agriculture Value Added % of GDP		Industrial Value Added % of GDP		Manufacturing Value Added % of GDP		Services Value Added % of GDP	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Cameroon	6,741	9,252	29	40	23	22	9	10	48	39
Cote D'Ivoire	10,175	10,688	29	28	20	21	11	13	51	51
Egypt	22,913	67,691	18	17	37	32	12	24	45	51
Ethiopia	5,179	5,993	56	55	12	10	8	..	32	36
Kenya	7,265	9,222	33	29	21	16	13	10	47	55
Mauritius	1,132	4,292	12	10	26	32	15	23	62	58
Morocco	18,821	36,820	18	20	31	31	17	17	51	49
Nigeria	64,202	31,995	21	43	41	25	8	8	39	31
South Africa	78,744	126,301	7	5	50	39	23	24	43	57
Tunisia	8,742	19,516	14	14	31	28	12	18	55	58
Zimbabwe	5,355	7,550	14	14	36	28	25	19	50	59
Africa										
Mean	9,316	11,288	30	30	28	26	10	12	42	44
Minimum	105	271	2	4	4	10	2	0	22	23
Maximum	78,744	126,301	72	64	76	69	25	29	63	65

Source: The World Bank: World Development Indicators, 1998.

Table 3. Structure of Manufacturing of Selected African Countries, Including Ethiopia

Country	Value Added in Manufacturing $ millions		Food, Beverages, and Tobacco % of Total		Textiles and Clothing % of Total		Machinery and Transport Equipment % of Total		Chemicals % of Total		Other Manufacturing % of Total	
	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995	1980	1995
Cameroon	593	794	56	31	9	8	4	1	3	3	29	56
Cote D'Ivoire	1,096	1,272	35	..	15	..	10	..	..	..	40	..
Egypt	2,678	13,740	19	..	30	..	11	..	9	..	31	..
Ethiopia	381	374	..	..	..	..	..	..	..	..	..	..
Kenya	796	840	34	44	12	9	15	10	9	9	30	29
Mauritius	147	819	36	31	30	46	6	1	6	4	23	18
Morocco	3,167	6,046	..	25	..	19	..	8	..	15	..	32
Nigeria	5,195	1,879	21	..	13	..	13	..	13	..	39	..
South Africa	16,607	28,839	12	15	9	8	21	20	9	9	48	48
Tunisia	1,030	3,390	18	20	19	24	7	6	15	6	42	45
Zimbabwe	1,248	1,260	23	38	17	13	8	11	9	3	42	36
Africa												
Mean	1,251	1,785	37	35	18	14	8	7	8	9	32	37
Minimum	15	23	12	13	2	1	2	1	1	3	10	18
Maximum	16,607	28,839	73	69	51	46	21	20	16	23	60	56

Source: The World Bank, World Development Indicators, 1998.

Table 4. Structure of Merchandise Exports of Selected African Countries, Including Ethiopia

Country	Merchandise Exports $ millions		Food % of Total		Agricultural Raw Materials % of Total		Fuels % of Total		Ores and Metals % of Total		Manufactures % of Total	
	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996	1980	1996
Cameroon	1,321	1,758	48	24	16	25	31	36	2	6	4	8
Cote D'Ivoire	2,979	4,996	64	..	28	..	2	..	0	..	5	..
Egypt	3,046	3,534	7	10	16	4	64	48	2	6	11	32
Ethiopia	424	494	74	..	18	..	7	..	0	..	0	..
Kenya	1,313	2,203	44	..	8	..	33	..	2	..	12	..
Mauritius	420	1,699	72	31	0	1	0	0	0	0	27	68
Morocco	2,403	4,742	28	33	3	3	5	2	41	13	24	50
Nigeria	25,057	15,610	2	..	0	..	97	..	0	..	0	..
South Africa	25,539	18,132	9	14	2	5	4	9	7	10	18	49
Tunisia	2,234	5,517	7	7	1	1	52	11	4	2	36	80
Zimbabwe	433	2,094	40	51	3	8	3	2	17	10	36	30
Africa												
Mean	2,962	2,607	40	28	12	8	22	26	16	7	10	30
Minimum	11	22	1	0	0	0	0	0	0	0	0	2
Maximum	25,539	18,132	99	90	81	25	100	95	95	26	40	80

Source: The World Bank: World Development Indicators, 1998.

Table 5. Export Concentration Indices of Selected African Countries, 1980-1995

Country	1980	1988	1989	1990	1991	1992	1994	1995	Average 1990-95	Variance	Direction of Change
Cameroon	0.409	0.446	0.285	0.311	0.272	0.485	0.375	0.323	0.353	0.002	-
Cote D'Ivoire	0.383	0.391	0.385	0.345	0.312	0.368	0.405	0.408	0.368	0.000	-
Egypt	0.575	0.295	0.279	0.225	0.440	0.361	0.265	0.244	0.307	0.036*	-
Ethiopia	0.636	0.644	0.575	0.476	0.617	0.557	0.623	0.601	0.575	0.002	-
Kenya	0.383	0.413	0.335	0.239	0.309	0.305	0.310	0.231	0.279	0.005	-
Mauritius	0.688	0.379	0.377	0.342	0.335	0.332	0.317	0.313	0.328	0.065	-
Morocco	0.310	0.210	0.173	0.162	0.166	0.160	0.167	0.172	0.165	0.010	-
Nigeria	0.949	0.925	0.934	0.918	0.952	0.934	0.901	0.897	0.920	0.000	-
South Africa	0.577	0.188	0.189	0.189	0.194	0.378	0.266	0.256	0.257	0.051	-
Tunisia	0.481	0.200	0.217	0.202	0.200	0.209	0.207	0.211	0.206	0.038	-
Zimbabwe	0.257	0.290	0.276	0.245	0.327	0.329	0.311	0.250	0.292	0.001	-
Africa	1980	1988	1989	1990	1991	1992	1994	1995	Avg. 90-95	Variance	Direction of Change
Mean	0.590	0.535	0.515	0.502	0.506	0.512	0.512	0.488	0.504	0.004	-
Minimum	0.257	0.188	0.173	0.162	0.166	0.160	0.167	0.172	0.165	0.004	-
Maximum	0.961	0.928	0.934	0.918	0.952	0.934	0.912	0.913	0.926	0.001	
Variance	0.047	0.045	0.049	0.055	0.034	0.019	0.042	0.040	0.034	..	

* (+) means increased export concentration, and (-) means export concentration decreased.

Footnote: For nine countries export concentration increased during the period 1990-1995 compared to the base period 1980, and for twenty-six countries it decreased moderately.

Source: UNCTAD: Handbook of International Trade and Development Statistics (Various Issues).

Table 6. Export Diversification Indices of Selected African Countries, 1980-1995

Country	1980	1988	1989	1990	1991	1992	1994	1995	Average 1990-95	Variance	Direction of Change*
Cameroon	0.720	0.866	0.802	0.796	0.777	0.871	0.876	0.848	0.834	0.006	+
Cote D'Ivoire	0.850	0.893	0.888	0.878	0.856	0.861	0.899	0.905	0.880	0.000	+
Egypt	0.672	0.769	0.726	0.661	0.700	0.690	0.732	0.737	0.704	0.001	+
Ethiopia	0.896	0.924	0.871	0.911	0.934	0.941	0.919	0.912	0.923	0.000	+
Kenya	0.812	0.875	0.849	0.675	0.806	0.808	0.834	0.735	0.772	0.001	-
Mauritius	0.909	0.873	0.872	0.863	0.844	0.834	0.858	0.858	0.851	0.002	-
Morocco	0.810	0.805	0.762	0.756	0.756	0.754	0.759	0.773	0.760	0.001	-
Nigeria	0.771	0.919	0.906	0.912	0.915	0.907	0.903	0.906	0.909	0.009	+
South Africa	0.790	0.726	0.727	0.734	0.707	0.693	0.715	0.611	0.692	0.005	-
Tunisia	0.658	0.707	0.684	0.662	0.668	0.670	0.671	0.684	0.671	0.000	+
Zimbabwe	0.728	0.846	0.832	0.775	0.782	0.742	0.756	0.728	0.757	0.000	+
Africa	1980	1988	1989	1990	1991	1992	1994	1995	Avg. 90-95	Variance	Direction of change
Mean	0.842	0.885	0.873	0.865	0.863	0.865	0.872	0.857	0.864	0.000	+
Minimum	0.658	0.707	0.684	0.661	0.668	0.670	0.671	0.611	0.656	0.000	-
Maximum	0.968	0.976	0.980	0.982	0.960	0.978	0.975	0.966	0.972	0.000	+
Variance	0.009	0.004	0.005	0.008	0.007	0.007	0.006	0.007	0.007	..	

(+) means decreased export diversification, and (-) means improved export diversification.

Footnote: Twenty countries experienced decreased export diversification during the period 1990-1995 compared to the base year 1980, and fourteen countries experienced modest improvement in their export diversification indices.

Source: UNCTAD: Handbook of International Trade and Development Statistics (Various Issues).

Table 7. Competitiveness Index of Selected African Countries

Country	Competitiveness Index	Improvement Index	Optimism Index
1. Mauritius	0.87	13.00	11.27
2. Tunisia	0.79	15.96	9.31
3. Botswana	0.54	9.60	8.99
4. Namibia	0.43	10.02	6.99
5. Morocco	0.40	18.00	14.09
6. Egypt	0.38	20.81	17.76
7. South Africa	0.34	9.22	3.61
8. Swaziland	0.22	n.a.	n.a.
9. Ghana	0.09	18.51	13.89
10. Lesotho	0.06	n.a.	n.a.
11. Cote D'Ivoire	-0.09	9.81	11.91
12. Zambia	-0.09	13.35	15.06
13. Kenya	-0.15	13.98	11.45
14. Uganda	-0.16	22.69	18.88
15. Burkina Faso	-0.21	6.37	11.21
16. Tanzania	-0.24	20.03	20.55
17. Ethiopia	-0.25	9.09	15.43
18. Mozambique	-0.32	19.44	23.13
19. Cameroon	-0.38	2.38	12.03
20. Zimbabwe	-0.40	n.a.	9.55
21. Malawi	-0.43	10.39	12.60
22. Nigeria	-0.48	5.83	12.20
23. Angola	-0.79	n.a.	n.a.

Source: World Economic Forum: The Africa Competitiveness Report, 1998, Geneva, Switzerland.

Table 8. Ethiopia: Merchandise Exports, 1980-1997

Year	Merchandise Exports Millions of US$			Annual Growth Rates (%)		
	Exports (f.o.b.)	Imports (f.o.b.)	Trade Balance	Exports	Imports	Trade Balance
1979	334.2	406.0	-71.8			
1980	322.0	499.2	-177.2	-3.7	23.0	146.8
1981	316.3	536.0	-219.7	-1.8	7.4	24.0
1982	364.0	612.3	-248.3	15.1	14.2	13.0
1983	376.2	692.5	-316.3	3.4	13.1	27.4
1984	403.7	776.2	-372.5	7.3	12.1	17.8
1985	331.5	825.1	-493.6	-17.9	6.3	32.5
1986	410.4	795.0	-384.6	23.8	-3.6	-22.1
1987	355.2	932.7	-577.4	-13.5	17.3	50.1
1988	400.0	956.0	-556.0	12.6	2.5	-3.7
1989	443.8	817.9	-374.1	11.0	-14.4	-32.7
1990	292.0	912.1	-620.1	-34.2	11.5	65.8
1991	167.6	470.8	-303.2	-42.6	-48.4	-51.1
1992	169.9	992.7	-822.9	1.4	110.9	171.4
1993	198.8	706.0	-507.1	17.0	-28.9	-38.4
1994	372.0	925.7	-553.7	87.1	31.1	9.2
1995	423.0	1136.7	-713.7	13.7	22.8	28.9
1996	438.1	1234.8	-796.7	3.6	8.6	11.6
1997	557.4	1005.3	-447.9	27.2	-18.6	-43.8
Average Annual Growth Rates 1980-1990				0.2	8.1	29.0
Average Annual Growth Rates 1991-1997				15.3	11.1	12.6

Source: International Monetary Fund: Balance of Payments Statistics, 1989, 1994 and 1998. ■

The next EEA round table will take place on April 30, 1999 at Ghion Hotel and will focus on "*Attracting Foreign Investment.*" The speakers include, Ato Tadesse Haile, General Manager of Ethiopian Investment Authority, and Mr. Alfred Ireland from *MIDROC Ethiopia*. *Economic Focus* invites our readers to participate in this discussion by sending us articles and comments on the topic.

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PROMOTING THE EXPORT SECTOR IN ETHIOPIA

By
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Theoretical Framework

Traditionally, trade strategies are considered to fall in either of the two categories, i.e. import substitution (IS) or inward-looking strategy at the one end, and export promotion (EP) or outward-orientation strategy on the other. This broad categorization is based on the type of support that either the import substitution or the export sector receives. If more support (incentives) are provided to IS than to EP activities, the strategy is regarded as one of inward oriented; otherwise, it is an outward oriented one.

In the 1950s and early 1960s, following the Singer-Prebisch hypothesis, many developing countries adopted inward-looking ISI rather than export promotion policies. Then it was believed that industrialization would be facilitated through a protectionist regime (discriminating against imports through tariffs and quotas, among others). The argument in favour of the ISI strategy was/is that trade should be protected temporarily to assist domestic infant industries until they become competitive with their counterpart elsewhere in the world. Such approach, it was argued, is no different from any investment undertaking where there involves incurring costs for a limited initial period in return for future benefits and hence justified.

By mid-1960s, many developing countries abandoned the ISI strategy as the strategy could not provide what had been thought it would. The consensus was that the ISI strategy encouraged rent-seeking and inefficient use of resources that left the protected industries totally unfit for the perceived competition at a later stage. Since the mid-1960s, therefore, export promotion has become the favoured strategy. Countries, one after another, adopted this latter strategy, especially, following the impressive growth performance of East Asian countries that had used export promotion strategy '*dominantly*.'

Export Promotion

The arguments in favour of the export promotion strategy are numerous and include the following:

- Export promotion strategy leads to increasing market size of a developing country and render all the benefits that are associated with large scale operation (economies of scale related argument)
- The dual-gap argument – that the strategy would make possible the availability of critical imported inputs that would boost domestic capacity utilization and hence total factor productivity (an EP strategy can increase the foreign exchange revenue, capacity utilization and growth of factor productivity)
- Export promotion strategy, being a more liberal trade policy oriented strategy, would enhance efficiency in domestic production as producers would be forced to compete to retain their profit margin (competition directed at cutting costs of production domestically)
- Dynamism/learning by doing/technology

Based on these and other merits, export promotion strategy has been regarded as the best strategy in terms of allocating resources efficiently and raising productivity (as against import substitution strategy that encouraged misallocation of resources due to the few incentives that it provides for maintaining cost-price discipline and improvement in productivity).

The Controversy

Though most consider export promotion strategy to be the best strategy, the very meaning of an export promotion strategy seems quite controversial. The controversy focuses mainly on two areas, viz., *whether or not an export promotion strategy is neutral or biased in favour of exports and whether or not import substitution policies are compatible with that of an export promotion strategy.*

With regards to the first point, some argue that an EP strategy simply amounts to the absence of any discrimination against exports in favour of the home market. For instance, they argue that EP does not in any way imply any subsidization of exports beyond the level that restores equality between the effective exchange rates on imports and exports.

Others, however, argue that EP strategy means much more than the mere absence of anti-export bias. To this latter group, the essence of an EP strategy is systematically promoting exports, in addition to a liberalized trade and payment regime, through granting preference to exporters.

With regard to the second point, some argue that IS policies are totally incompatible with that of EP strategy, and that any attempt to promote both would end up in discouraging exports. Whatever form they (IS policies) take, barriers to trade discriminate against exporters according to this view. Others have the view that IS policies and EP strategy policies are complementary rather than alternatives. This group argues that the assumption of perfect competition underlying the theory of comparative advantage is unrealistic given the present world economic condition. Moreover, the latter group adds, IS is needed not only for creating export ability, but also for providing the volume basis necessary for competitive exportation. Thus, to this group, import protection is not only compatible with, but may even be instrumental to export promotion given the present world economic environment which is characterized by oligopoly, externalities and scale economies.

These and related controversies together with varying degrees of protection or intervention that countries made in pursuing one or the other strategy (IS or EP) led scholars to come to agreement on the existence of other strategies. In addition to the bipolar classification of trade strategies that were defined conventionally, therefore, it has become common to make reference to strategies that simultaneously employ both (or neither) IS and EP policies. Liang, for instance, identifies five mutually exclusive strategies, viz., IS, EP, free trade, protected export promotion, and de facto import promotion (Liang, 1992).

In practice, the attempt to find out as to which strategy the successful SE Asian countries adopted was not free from controversy and as such contributed greatly for the refinement of trade strategies and their classification. Referring to the Korean experience, in particular, some had the view that the key to the success is neutrality between EP and IS biases, or free trade position. Others believed that the bias towards exports was the main driving force behind the impressive performance. Still others had attributed the success to a judicious mix of both the EP and IS strategies and referred to the Korean strategy as export-oriented import substitution. On balance, however, this latter group seems to have given a more accurate account of the strategy that was pursued by Korea.

"Empirical findings indicate that some of the successful East Asian countries actually pursued an infant industry-based, export-oriented, 'protected export promotion' strategy, not the commonly perceived, static comparative advantage-based export promotion strategy; their protectionist policies are not mere exceptions, but integral elements of their export-oriented strategy." (Liang 1992)

Promoting exports and thereby economic growth is therefore a task that requires carefully identifying sectors of an economy with a reasonable potential (resource as well as market outlet wise) and granting those sectors promotion and protection of some sort that makes possible reaping the benefits of trading. There is no ready-made strategy as such. One thing that is known for sure is that extreme protection entails more harms to an economy.

Trade Strategy and the Export Sector in Ethiopia

Ethiopia depends heavily on imported items ranging from capital goods and raw materials, which are vital from the point of view of long term growth and development, to that of petroleum, pharmaceuticals, fertilizers and, in some cases, foodstuffs that are of immediate importance for the day to day operation of the economy. The financing of these importables, whose magnitude continually increases, and hence that of growth and development is therefore a task that is generally left for the export sector. As a result, strengthening and finding ways of optimal intervention in favour of this sector is of an immediate concern.

In Ethiopia, the share of the export sector in the total GDP of the country is not more than 15 percent. Not only that, the export sector depends on few primary agricultural commodities whose price has been fluctuating through the years, creating an export earning instability. Thus, there is an urgent need to promote the export sector and improve its state via diversification and augmenting the quality of exports. Given the current world economic environment where the price of primary (agricultural) commodities is continually falling, encouraging processed exports seems particularly essential. The latter not only guarantees relatively stable earning but it is also an important source of dynamism and growth.

The Strategy

Unlike the pre 1992 period when the country had been following a highly inward-oriented trade strategy (*WDR 1987*), in the post 1992 period, Ethiopia has been liberalizing and opening up the external sector.

Devaluation of the currency coupled with other measures taken as part of the stabilization and adjustment programmes have had a positive effect on the external sector of the economy. Clearly, there has been a significant shift of policy – away from the highly inward-oriented regime that had prevailed for long.

In addition to the different measures that have been taken by way of liberalizing the economy, there has come out an export development strategy that aims at promoting exports. The strategy has the following broad aims:

- Maximizing the gains from surplus venting through productivity improvement (by undertaking small investments in agriculture) and cultivation of unused land
- Utilizing the advantage of natural resources for export of high-value agricultural products (horticultural products including vegetables, flowers, fruits and fresh/chilled meat)
- Expansion of exports of manufactured goods, grounded on the country's comparative advantage of labour (clothing, leather and leather products, textile products); and
- To discover exportable minerals and fuel deposits.

For the purpose of attaining these broad aims, strategic interventions of general and specific nature have been designed with the intention of implementing the strategy and that of encouraging the development of the private sector. The general interventions include:

- Maintaining a reasonable exchange rate
- Easy and market-based access to urban and rural land
- Effective enforcement of contracts
- Encouraging smallholders to produce cash crops for exports through schemes for out-growers and contract farmers
- Aggregation of activities to be able to reap the benefits of large-scale operation.

The specific interventions that aim to encourage the private sector include:

- Duty exemptions/drawback to encourage (potential) exporters of manufactures (that require importing inputs)
- Financing of imported inputs through a back-to-back issuance L/C imports arrangement
- Pre-shipment finance through financing of domestic inputs by local banks, against committed L/C of exports
- Post-shipment finance
- Price verification with the intention of providing information and/or preventing under-invoicing of exports
- Export commodity exchange to secure the best possible prices for the country's exports on a sustainable basis
- Export brokerage to be able to get market outlets externally
- Crop quality certification to standardize quality
- Re-discount window which is a scheme whereby DBE and the CBE will be entitled to borrow from NBE at discount to finance loans for investment in export production and related working capital. In addition, DBE will raise funds through issuance of long term bonds.

Prospects of the Strategy and Exogenous Factors

Barring implementation related problems, the strategy is quite reasonable but seems to have given less consideration to the unfavourable global economic environment. The global environment does not seem to be favouring Ethiopia. At least two issues can be mentioned in this respect. First, the price of primary (agricultural) commodities has been continuously falling. This trend of declining prices does not seem to be reversed, having its discouraging effect on exports of primary commodities. A recent World Bank report* indicates that the price of primary (agricultural) commodities has declined by more than 50 percent in the past two years and that trend is likely to continue, putting developing countries at a disadvantage. The other issue that should be taken into account is the high competition that we (will) face from other giant low-income economies. Countries like China and India are worth mentioning in this respect. Such countries are not only better suited in terms of technology of production that has implication on the quality of products but also have the advantage of having an enormous, relatively educated and, at the same time, cheap labour force. It is highly unlikely that Ethiopia will be in a position to compete with these economies in terms, for instance, of textile and clothing exports. The same can be true of processed leather and leather-products exports, though Ethiopia has large amount of this (raw) resource.

Another issue that I wondered about while looking at the Export Development Strategy is the attention given to smallholder agriculture. Smallholders are the backbone to the Ethiopian economy and any strategy should be compatible with that sector. Small- and medium-scale agriculture generally has a larger *linkage effect* with the domestic *industry*, which is where any potential for growth and development lies. Small- and medium-scale agriculture is labour intensive and employs domestic implements and machinery while large-scale farms tend to be import dependent and not much more productive. Also, on the consumption side small- and medium-scale farmers have a higher *Marginal Propensity to Consume (MPC) and a larger marginal share of their consumption is devoted to locally produced outputs such as textiles and clothing.*

What Should be Done (proposed points for discussion)?

- Looking for market outlets especially in Africa and the Middle East where the constraint in terms of quality of products demanded is less severe and where there seems to exist (especially in the former case) a comparative advantage for Ethiopia (relatively abundant labour force)

* The news about this WB report came on BBC World Service on 04/02/99.

- Effective negotiations with the North to be allowed to get a reasonable access to that market
- Identifying specialized but profitable areas (the whole issue of niche markets) elsewhere outside
- Designing export incentive schemes and other measures (accompanying policies) within the ADLI framework for selective high potential export activities.
- Provision of effective information on marketing and related activities
- Encouraging manufactured exports
- Very ambitious (and violating the comparative advantage argument)?! Introducing new, probably risky but highly dynamic sectors: Say electronics industry that can perform sort of assembly work at the initial stage and hopefully move forward (clear that the human capital as well as the capital constraint is there but MIGHT be one way to be able to move away from the traditional exports that do not seem to help much)

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PROMOTING THE EXPORT SECTOR IN ETHIOPIA

By Eskinder Joseph
Managing Director, Meskel Flowers Private Limited Company

I. Introduction

If the Marxian discourse that the amorphous, ruthless, cost-effective multinational corporations cause serious threat to the underdeveloped economies is ever in doubt, then the very fact that, at the end of the millenium, the gap between the rich and poor countries is further widening adds it credit. With few exceptions, even the small and medium scale enterprises of the developing countries are not immune to such challenges. Taking the multinational corporation's achievement into consideration, there is no doubt that economies of scale rule the business world. If third world business establishments don't have the capability to compete with multinationals, then the alternative is to follow a niche strategy.

As Fritz Schumacher, in his book *Small is Beautiful*[1], puts it, supporting small and medium enterprises (SME) that adopt the concept "intermediate technology" *vis-à-vis* the highly sophisticated technology of the West, ought to be the most ideal model for private sector development in Ethiopia. Niche markets being ideal for such SMEs, Ethiopia can selectively strive in areas such as the floriculture industry where economies of scale are not as important and the optimal growth of the export-based firms are relatively small. The floricultural industry, in particular the production of cut-roses, is highly specialized with a well-targeted market segment. In this segment, the market as well as the production capacity for superior quality flowers is limited geographically. Having the most ideal climate in Africa and cheap cost of production, Ethiopia does have a competitive advantage over its African, Latin American and European competitors. This article is written to point out Ethiopia's competitive advantage in developing a well-defined floricultural industry and is initiated from the perspective and own experience of Meskel Flowers Private Limited Company--the first and, so far, the only cut-roses producer and exporter in Ethiopia.

II. Potentials for Floricultural Products in the World

As mentioned in the previous paragraph, the potential for the production and marketing of floriculture products in the world market is limited geographically. Western Europe, providing the biggest markets for such products, imported approximately US$ 6 billion worth of floricultural products in 1997[2]. This figure increased by almost US$ 4 billion since 1985. Imports from Africa increased from US$ 40 million in 1985 to US$ 250 million in 1997. Latin America owing to the superior quality of cut-roses grown in the highlands of Ecuador increased its export from US$ 63 million in 1985 to US$ 349 million in 1997.

1 Sources: FKAB Feldt Consulting, Sweden 1999 and Aiph (Int. Ass. of Hort. Prod.)

2 Ethiopia entered the market in 1998 and generated approximately 1 million US$

Table 1: Imports of Floricultural Products to Western Europe 1985-1997 ('000 US$)

	1985 US$	1993 US$	1994 US$	1995 US$	1996 US$	1997 US$
Total[3]	2,101, 897	5,682,959	4,506,004	5,140,580	5,782,418	5,895,471
Africa	41,340	280,523	191,489	230,340	294,330	257,798
S. America	63,391	325,813	294,042	300,874	309,893	349,107
Middle East	85,679	200,496	169,251	192,557	217,576	211,974
Asia	28,850	84,598	77,303	76,472	85,499	85,451

Total figure includes, cut flowers, cut decorative foliage, flower bulbs and live plants.

III. What Do We Learn from Kenya

Western Europe's major supplier of commercially produced flowers from Africa is Kenya. During the mid-1970's few farmers started growing and exporting flowers from around Lake Naivasha area. Taking the suitable climate and relatively cheap cost of production into consideration, Kenya's small and medium scale growers developed approximately 1,200 hectares under flowers.

Currently, Kenya produces and exports over 40 different varieties of flowers. Its cut-rose production increased from 25 hectares in 1988 to approximately 650 in 1998.

The number of these small and medium enterprises does not exceed 35, and yet the total foreign earnings they generated in 1997 surpass US$ 62.8 million. In general, after tourism and tea, Kenya's horticultural export generates the third largest source of foreign exchange for the country. Over 90% of Kenya's cut flowers are exported to Western Europe. The Netherlands being the center for the distribution of floricultural products in Europe, 70% of Kenyan roses are marketed through Holland. Other than Germany, which consumes 60% of the total rose market in Europe, Kenya exports to the United Kingdom, France, Italy and Denmark.

Kenyan financial institutions play the major role in supporting particularly the floricultural sector of the economy. These institutions provide loans to finance the operational and capital expenses required for establishing and operating a farm.

Trade information is made available to growers through private organizations such as Fresh Produce Exporters Association of Kenya (FPEAK), and The Kenya Flower Council (KFC).

Members are encouraged to adopt their own code of practice to meet the international market standard relating to employment, environmental issues, pesticide use, product traceability and employment welfare requirements.

Table 2 Imports of cut roses to Europe 1985–1997 ('000 US$)[4]

Origin	1985	1993	1994	1995	1996	1997
W. Europe	133,005	290,466	339,963	398,407	444,348	456,327
Israel	20,981	33,133	38,849	308,310	39,087	35,378
Zimbabwe	-	14,244	17,901	33,024	39,142	39,435
Morocco	2,031	8,323	7,616	6,816	4,470	2,896
Colombia	7,093	12,317	12,967	15,464	17,754	17,653
Kenya	749	11,862	24,258	36,163	52,718	62,832
Ecuador	-	6,038	12,767	19,902	23,953	33,405
Brazil	380	4,539	3,095	2,390	363	N.A.
Zambia	-	2,356	3,375	4,795	7,716	9,254
Tanzania	-	590	2,063	3,817	4,494	5,406
Malawi	-	946	1,499	2,654	3,203	2,023
Uganda	-	-	1,176	2,595	3,930	5,154
Others	3,112	10,962	12,206	14,342	13,142	9,736
Total	168,151	397,776	477,735	578,479	654,590	679,499
Ethiopia[5]	-	-	-	-	-	-

IV. Africa–the Most Suitable Area in the World for Rose Production

Although Kenya and Morocco started ahead, new producers such as Tanzania, Uganda, Zambia, Malawi and Zimbabwe entered the market around 1990 or later. Ethiopia, having the best potential as compared to the rest of the African growers started late and entered the market during the 1997 export season.

Out of the 5.4 billion cut-roses sold in Europe in 1998, the Dutch growers alone produced 45% of the total volume. Although the Dutch growers are under considerable pressure from imported roses grown particularly in Ecuador and Colombia, they managed to improve the quality of their produce using high-tech production techniques.

However, the cost of production to develop the high quality flower in Europe being so inhibitive, more and more African countries, using intermediate technology,

3. Sources: FKAB Feldt Consulting, Sweden 1998 and Aiph (Int. Ass. of Hort. Prod.)
4. Sources: FKAB Feldt Consulting, Sweden 1998 and Aiph (Int. Ass. of Hort. Prod.)
5. Ethiopia entered the market in 1998 and generated approximately 1 million US$

are entering the target market. The following figures indicate imports of cut-roses to Western Europe.
The figures also show the comparative figures between the European grown cut-roses and imports.

V. What Kinds of Ingredients are Required to Design a Successful Floriculture Industry in Ethiopia?

1. Good Governance and Business Ethics

In recent years, there has been a significant economic policy change in Ethiopia. This reform is aimed at improving the overall export sector and removal of a number of the bottlenecks. Most of the measures taken had been mentioned on the background paper prepared for this round table discussion. To name a few:

- Import tariff had been removed
- Export sales and profit tax had been reduced or eliminated
- Tax holiday, duty drawback and retention schemes had been introduced
- Import duties for investment capital items had been eliminated
- Dialogue between exporters and policy makers had been established
- Exporters had been invited to join high-level government delegates on International trade missions
- Price Control on export items had been removed
- An export promotion agency had been established
- Import restrictions on seed, fertilizer and pesticides had been liberalized to a reasonable degree
- Infrastructures such as roads, international airfields, cold-store facilities that facilitate exports are either being built or on the process, and
- Access to finance had been revised and etc.

Despite all the efforts made by the government, a number of these liberalized areas remained murky and inconsistent. The main problem comes from the middle and low level bureaucrats. Policy issues that are drafted by the government to solve particular problems face difficulty during the interpretation and implementation levels. Bureaucrats often use "arbitrary conditionality" to revoke the privileges given to exporters. It is obvious that some of the attitudes seen in the bureaucratic circle are inherited from the previous regime. It has been almost eight years since the old regime had been overthrown, and it should not have taken more time to rehabilitate the bureaucratic system–to readjust the mindset and to acquire swift decision making process.

The blame does not end on the bureaucrats alone. The fact that the Private Sector itself is corrupt, disorganized, and lacks the technical expertise to run a modern business further complicates these problems. While newly introduced policy issues need good governance to achieve the desired effect, care must be taken so that an unhealthy Private Sector-Government partnership would not undermine the expected result. The establishment of an expeditious judicial system to handle cases of corruption and a continuous dialogue between the Private Sector and the Government can create an enabling environment that is based on mutual understanding.

2. Suggested Strategy

To develop a viable floricultural industry in Ethiopia, we need to combine the Kenyan and Ecuadorian flower industry experience. Kenya has a decade of experience in growing flowers in Africa and marketing its produce to the competitive European markets. Ecuador, having the most suitable climate and similar highland conditions to Ethiopia can provide us with vital information on the growing condition required on highlands. The secret to Ecuador's success in producing superior quality roses is the high altitude (2100-2400m) climate where most of the green houses are built. This range of elevation is already within the outskirts of Addis. If the government plans to reserve approximately 600 hectares of highland area for investors within the range of 30-40 km radius from Addis, Ethiopia will be able to produce 600 million roses a year, generating US$ 240 million annually. The quality of these flowers will be superior to any grown in Africa. If Ethiopia enters the market with such quality roses, countries like Uganda and Zimbabwe that are already struggling to survive will very likely be thrown out of the market due to quality requirements and excessive freight costs.

A number of other conditions also must be satisfied. The following requirements are essential:

- Direct flights to the main flower destinations and access to cargo space–access to more airliners as well as to a cargo terminal equipped with cold store facility
- Access to suitable land, 2100–2400 meters elevation, with favorable climate and easy proximity to an international airport
- Further liberalization on external trade, finance and import procedures
- Technical assistance in the production of flowers
- Access to finance (local as well as foreign financing)
- Further liberalization on the import regulation of seed, fertilizer and pesticides
- Establish flower propagators, chemical importers, and other essential goods suppliers locally
- Generous tax holiday to all at least until the first 100 hectares are established and
- Establishing private flower exporters' association.

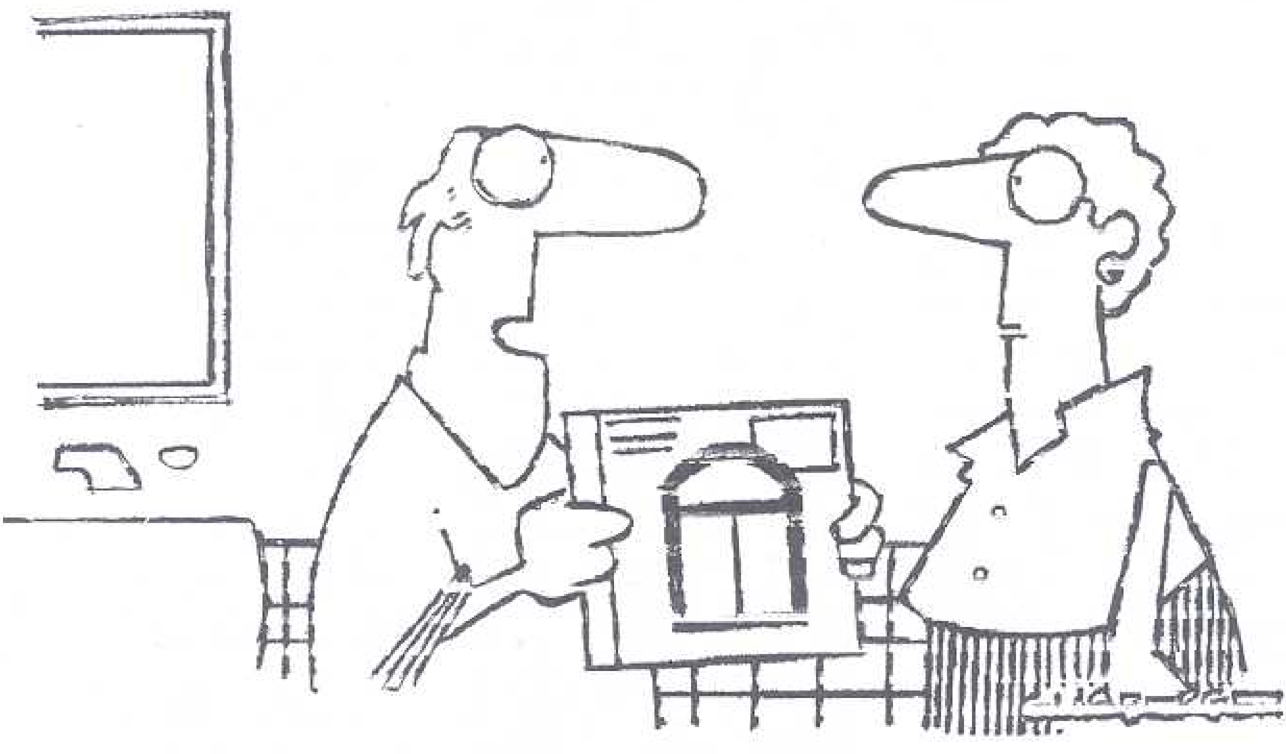
The benefit to the country from such kind of development is enormous. Although it takes only 4 months after planting to start full production for a grower, a six hundred hectares cut-roses project can be developed within 10 years period. A development of such scale can be run by approximately 60-70 small and medium enterprises and will require an investment cost of US$ 240 million.

If 600 hectares of greenhouse roses could be developed, it can have the following effects on the economy.

- It will create jobs for 22,000 people
- Generate foreign income of US$ 240 million annually
- Generate an annual income of US$ 20 million for airliners
- Generate an annual income of Birr 240 million for pulp and paper (cartons) industries
- Stimulate the growth of fertilizer and chemical industries
- Generate income for commercial banks
- Generate income for telecommunications and related service giving organizations and
- Generate income for local business establishments.

VI. Conclusion

The potential for Ethiopia to be the number one exporter of quality roses in the world is excellent. However, there is a need for further liberalization of policy issues that are crucial to the development of the flower industry. Policy issues can directly influence the quality of the flower under production if the bureaucratic problem causes delays in fertilizer and chemical import procedures; or if the growing conditions are affected because the grower is forced to develop his project at a lower altitude due to a restrictive regional land policy. Considering all these and the perishable nature of the product, the quality requirement on the International market and lack of cargo space availability, we can say the existing conditions are not yet conducive to develop the floriculture industry in Ethiopia. One thing is for sure though. The government is very enthusiastic and determined to develop the export sector of the economy. If we want to be more successful than the others, we also have to make extraordinary preparation and planning. For this, private sector co-operation and participation is equally important. ■



" I bought a computerized bathroom scale. On January 1, 2000 it will change our weight back to zero."

አፍሪካ ለምን አላደገችም?

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እ.ኤ.አ. ዲሴምበር 1998 የቀረበ ጥናታዊ ፅሁፍ
ትርጉም፡ በሊና ኃ/ሥላሴ

በ1950ዎቹና በ1960ዎቹ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ትልቅ ተስፋ ነበራቸው። በዚህ ክልል ያሉት አገሮች በርካታ የተፈጥሮ ሀብት፤ የተንጣለለ መሬትና በተጨማሪም ለካፒታሊዝም እድገት አስተዋፅኦ ሊያደርግ የሚችል የገበሬ ይዞታ ላይ የተመሠረተግብርና (Peasant Agriculture) ነበራቸው። ሁለቱ የአለማችን ትልልቅ ጦርነቶች አፍሪካን አልነኳትም ነበር። አጥፊ የእርስ በርስ ጦርነትም የሚታይበት ቦታ አልነበረም። ለብዙዎች አገሮች ከቅኝ አገዛዝ አርነት መውጣት ከፍተኛ ተስፋን ያጫረ ክስተት ነበር። አለመታደል ሆኖ እነዚህ ሁሉ አለኝታዎች ተስፋ ሆነው ቀሩ። የዘመኑ የኢኮኖሚ እድገት በአለም ላይ የብዙ ታዳጊ አገሮችን ህዘቦች የኑሮ ሁኔታ በማሻሻሉ የተዋጣለት ቢሆንም በአመዛኙ የአፍሪካ አገሮች ላይ አልሠመረለትም። የኢኮኖሚ እድገት በብዙ የእስያና የላቲን አሜሪካ አገሮች እንደምን ሊሰምር ቻለ? በአፍሪካስ ውስጥ ምን ገጠመው?

ከሰሃራ በታች ያሉ የአፍሪካ አገሮች መጠነኛ የኢኮኖሚ እድገት ያሳዩባቸው ጊዜያቶች ነበሩ። ቀረብ ባሉት አስርተ-ዓመታት ውስጥ ያልታየ የአጠቃላይ ሀገራዊ ምርት 4.4 በመቶ እድገት በ1996 ታይቶ ነበር። አንዳንድ የሥነ ምጣኔ ታዛቢዎች ይህንን ክስተት ለረጅም ጊዜ ሲጠበቅ የነበረ የኢኮኖሚ ትንሣኤ እንደሆነ አውስተዋል (Madavo & Sarbib 1997) ከረጅም የኢኮኖሚ ድቀት ዘመናት በኋላ ብቅ የሚሉ የእድገት ፍንጮች ድሀ አገሮችን አስፈንጥረው በኢኮኖሚ ከበለፀጉት ሀገሮች ጎራ አያደርሷቸውም። እንደ አንዳንድ የሥነ ምጣኔ ባለሙያዎች አስተያየት ከሆነ አፍሪካውያን ላለፉት በርካት ላሉ አሥርተ-ዓመታት ከኢኮኖሚ እድገት ተገልለው ስለቆዩ በቅርቡ በሚታዩት መሻሻሎች የባከነውን ጊዜ ሊያካክሱት አይችሉም ነው የሚሉት። በ1997 ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ውስጥ ከሚኖረው ህዝብ 94 በመቶው የሚኖረው የነፍስ ወከፍ ገቢ ለረጅም ጊዜ ሲያሽቆለቁል በነበረባቸው አገሮች ውስጥ ነው።

የአንዳንድ አፍሪካ አገሮች የኢኮኖሚ ማሽቆልቆል መጠን አስደንጋጭ ነበር። እ.ኤ.አ በ60ዎቹና በ70ዎቹ አብዛኛዎቹ ከሰሀራ በታች ያሉት የአፍሪካ አገሮች ኢኮኖሚ አዎንታዊ እድገት ያሳየ ሲሆን ከፍተኛውን የነፍስ ወከፍ አጠቃላይ ሀገራዊ ምርት መጠን ከ1980 በፊት አግኝተው ነበር። ይሁንና በተከታዮቹ አሥርት ዓመታት የታየው የኢኮኖሚ ማሽቆልቆል፤ ቀደም ሲል ከታየው የእድገት መጠን በጣም የበለጠ ነበር። ከአካባቢው አገሮች ነዋሪዎች 36 በመቶው የሚኖሩት ከ1960 በፊት ከነበረው የነፍስ ወከፍ የገቢ ደረጃ ላይ እስከ 1995 ድረስ ባልደረሱ ኢኮኖሚዎች ውስጥ ነው። ሌላው 6 በመቶ ደግሞ በ1970 ከተገኘው መጠን በታች ባሉ ኢኮኖሚዎች ውስጥ ሲሆን፤ 41 በመቶው ከ1980 መጠን በታች እና 11 በመቶው ከ1990 ከተገኘ መጠን በታች ናቸው። በአጠቃላይ ከሰሃራ በታች ካሉ የአፍሪካ አገሮች ወደ 600 ሚሊዮን ከሚጠጉ ነዋሪዎች ውስጥ 35 ሚሊዮን ብቻ በ1995 በፊት አይተውት በማያውቁት የነፍስ ወከፍ ገቢ መጠን ላይ በደረሱ አገሮች ውስጥ ይኖራሉ።

በተጨማሪም ሌሎች ጠቃሚ መረጃዎች ከፍተኛ የኢኮኖሚ ድቀት መኖሩን ያሳያሉ። በዘመናዊው የሥራ ዘርፍ የተሠማሩ ሠራተኛ ድርሻ ከነበረበት ደረጃ በእጅጉ ወርዷል። በከተማ የሚኖሩ ሠራተኞች ደመወዝ የመግዛት አቅም ከእጅ ወደ አፍ ሆኗል። ከገጠር ወደ ከተማ የነበረው ፍልሰት በተገላቢጦሽ ከከተማ ወደ ገጠር ሆኗል። ከአለም ንግድና የውጭ መዋዕለ ንዋይ የአፍሪካ ድርሻ ቀንሷል። የነፍስ ወከፍ የምግብ ምርት ሲቀንስ የፍፁማዊ ድህነት ደረጃ (Absolute Poverty Rate) ከ50 በመቶ በላይ አሻቅቧል። ይህ ሁሉ ሲሆን አፍሪካ ከአለም ከፍተኛውን የውጭ እርዳታ መጠን (ከሀገራዊ የምርት መጠን ጋር ሲነፃፀር) ከአለም አቀፍ የገንዘብ ድርጅት (IMF) እና ከአለም ባንክ (WB) ፕሮግራሞች በተጨማሪ በትምህርት ላይ ከፍተኛ ወጪዎች ሲደረግላት ነበር።

ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ዝቅተኛ የኢኮኖሚ እንቅስቃሴ በብዙ ኢኮኖሚስቶች ተገምግሟል። ከባለሙያዎቹም የሚሰጠው ማብራሪያ ከሰሃራ በታች ያሉት የአፍሪካ አገሮች ከሌሎቻቸውና ከእድገት ጋራ በተያያዙ አጠቃላይ ምክንያቶች ላይ ያተኩራል። ከተሰጡት ምክንያቶችም 3ቱ ዋና ዋና ነጥቦች የሚከተሉት ናቸው።

1. ከሰሃራ በታች ባሉ አገሮች ውስጥ የሚገኘው የሰው ኃይል እጅግ በጣም ዝቅተኛ በሆነ የትምህርትና የዕውቀት ደረጃ ላይ መሆን (low level human capital)
2. ለውጭ ካፒታልና ንግድ ፍሰት ክፍት አለመሆን
3. ከፍተኛ የሆነ የገቢ መበላለጥና ለከተማ አድሉአዊ አመለካከት (urban bias) መኖር የሚሉ ናቸው።

ይህ አመለካከት ከሰሃራ በታች ያሉ የአፍሪካ አገሮች በትምህርት ላይ ብዙ ሀብት ቢያፈሱ፤ ለውጭ ንግድና መዋዕለ ንዋይ ክፍት ቢሆኑ፤ በተጨማሪም የገቢ መበላለጥና በሀብታምና በድሀው መካከል ስለ ከተማ ያለው የተሳሳተ አመለካከት መሻሻል ቢያሳይ እንደሌሎቹ ስኬታማ ታዳጊ አገሮች ተመጣጣኝ የሆነ የእድገት ደረጃ ያሳዩ ነበር የሚል ድምዳሜ ይሰጣል።

በሌላ ወገን የሚሰጡ ማብራሪያዎች ደግሞ ከሰሃራ በታች ባሉ አገሮች መሠረታዊ ሁኔታ ላይ ብቻ ያተኮሩ ምክንያቶች ይሰጣሉ። እነዚህም ከፍተኛ የጎሣ ልዩነት፤ የባህር በር የሌላቸው አገሮች መብዛት፤ በተጨማሪም የአብዛኛው መሬት በሃሩራዊ ክልል ውስጥ መሆን ናቸው። ይህ በመሆኑ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች የኢኮኖሚ እድገት በማስመዝገብ ላይ ከሚገኙ አገሮች ጋራ ተመሳሳይ ፖሊሲዎች ቢኖራቸውም እንኳ አፈፃፀማቸው ዝቅተኛ መሆኑ አይቀሬ ነው ባዮች ናቸው።

ከላይ የተጠቀሱት ማብራሪያዎች ከሰሃራ በታች ባሉ የአፍሪካ አገሮች አፋጣኝ የኢኮኖሚ እድገት ያለማሳየት አሳማኝ ምክንያቶች አይደሉም። በትምህርት ላይ ኢንቨስት ማድረግ ለኢኮኖሚ እድገት የግድ ያስፈልጋል የሚለው አስተሳሰብ አለቦታው የተጠቀሰ ነው። በርካታ ታዳጊ አገሮች በትምህርት ላይ ከፍተኛ መጠን ያለው ሀብት ሳያውሉ መሻሻል አሳይተዋል። በአንፃሩ ሌሎች ደግሞ በትምህርት ላይ ከፍተኛ ሀብት ወጪ አድርገው እድገት ሳያሳዩ ቀርተዋል። ንግድና የውጭ ካፒታል ፍሰት (foreign capital inflow) ለእድገት አስፈላጊ ቢሆኑም ለኢኮኖሚ መሻሻል (economic progess) ብቻቸውን በቂ አይደሉም።

በሀገር ውስጥ ሁኔታዎች ላይ ብቻ ያተኮሩ ፖሊሲዎችም ጥሩ ውጤት አላሳዩም። የንግድ መሰናክሎችን ማላላት ወይም ደግሞ የውጭ ምንዛሪን ተመን ማስተካከል ብቻውን እድገት አላመጣም። ቀደም ባለ ጊዜ ስለ ከተሞች የነበረው የተሳሳተ አመለካከት በአሁኑ ጊዜ ከሰሃራ በታች ካሉ አገሮች ጠፍቶአል፤ በአንዳንድ ከሰሃራ በታች ባሉ አገሮች የገቢ አለመመጣጠን ከፍተኛ ቢሆንም ስኬታማ እድገትን እና ድህነትን የማጥፋትን አላማ ለመቀረን የሚያስችል ያህል የተጋነነ አይደለም። በተመሳሳይ ሁኔታ አፍሪካን ብቻ በሚመለከቱ የተሰጡት ማብራሪያዎች ላይ የተሰጡት ምክንያቶች ለእድገት ማነቆ ቢሆኑም አፍሪካን ለገጠማት አሳዛኝ የኢኮኖሚ ድቀት አቢይ ምክንያቶች አይደሉም። ከሰሃራ በታች ላሉ የአፍሪካ አገሮች የኢኮኖሚ ውድቀት መንስኤው ለንብረት ባለቤትነት ዋስትና አለመኖር እና አስተማማኝ የኢኮኖሚ ሥርዓት አለመኖሩ ናቸው። እነዚህም አጠቃላይ የፖለቲካና የአመራር ውድቀት ውጤቶች ናቸው።

የተማረ የሰው ሀይል እጥረት ከሰሃራ በታች ያሉትን የአፍሪካ አገሮች የኢኮኖሚ ግስጋሤ ገድቦታልን?

ከሰሃራ በታች ያሉ የአፍሪካ አገሮች አነስተኛ የሆነ የተማረ የሰው ኃይልና ዕድሜያቸው ለትምህርት ከደረሰው ውስጥም የመማር ዕድል የሚያገኙት በጣም ውሱን ናቸው። በመሆኑም ለነዚህ አገሮች ዝቅተኛ የኢኮኖሚ አፈፃፀም አሳማኝ ምክንያት ይመስላል። ብዙ የኢኮኖሚ መስፈርቶች ትምህርትን፤ ምርታማነትንና እድገትን አያይዘው ይመለከታሉ። ነገር ግን አሁንሩ ከትምህርት የሚያገኙውን ጥቅም የሚያመላክቱ መረጃዎች ትንታኔ የሚያሳየው ውጤት የተለየ ነው። ስፊ የተማረ የሰው ኃይል በተናጠል ለፈጣን ዕድገት በቂ ካለመሆኑም በላይ ከሰሃራ በታች ላሉት ሀገሮች በፍጥነት አለማደግ የተማረ የሰው ኃይል እጥረት ብቸኛ ምክንያት አይደለም።

ከሰሃራ በታች ባሉ የአፍሪካ አገሮች በትምህርት ላይ የፈሰሰ መዋዕለ ንዋይ ያስገኘው አወዛጋቢ ውጤት፤

ኢኮኖሚስቶች ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ውስጥ ከትምህርት ይገኛል ብለው ስለሚያስቡት ውጤት የነበራቸው አስተሳሰብ ተለውጦአል። ሳካሮፖሉስ የተባለው ምሁር በ1994 ያስቀመጣቸው ግምቶች ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ከትምህርት የሚገኘው ውጤት (rates of return to education/ መዋዕለ ንዋዩ በሌሎች ማህበራዊ ጉዳዮች ላይ ቢውል ኖሮ ከሚያስገኘው ጥቅምና ከ (Social opportunity cost of capital) ሌሎች አገሮች ውስጥ ከሚገኘው ውጤት ጋር ሲተያይ ከፍተኛ እንደሆነ ያሳያል። እንደ

ባለሙያው አባባል ከፍተኛ ውጤት የሚገኘው በአንደኛ ደረጃ ትምህርት ላይ ከተደረገ መዋዕለ ንዋይ ነው።

በትምህርት ላይ የሚደረግ ኢንቨስትመንት ለእድገት በቂ ሁኔታን ይፈጥራል፤ የሚለው አስተሳሰብ ትክክለኛ ቢሆን ኖሮ ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ከፍተኛ እድገት ይታይ ነበር። ምክንያቱም አብዛኞቻቹ የአፍሪካ አገሮች ዝቅተኛ የነበረዉን የትምህርት ሽፋን መጠን /School enrollment rate/ በአጭር ጊዜ ውስጥ አሳድገው ነበር፣ ሆኖም ግን የኢኮኖሚውን ማሽቆልቆል አልገታውም። ይህም አፍሪካ ውስጥ በአንደኛ ደረጃ ትምህርት ላይ የሚደረግ ኢንቨስትመንት ትልቅ ውጤት ያሳያል የሚለው አስተሳሰብ ችግር እንዳለው ያሳያል።

ቤንል የተባለው ተመራማሪ /1996/ የሳካሮፖሉስን ጥናትና ድምዳሜ በጥንቃቄ በመመርመር የሳካሮፖሉስ ጥናቶች የመረጃ ስህተትና የአሠራር ዘዴ ችግሮች ስላለባቸው የሚያስተማምኑ እንዳልሆኑ አመላክቷል። በኢኮኖሚ ውድቀት ጊዜያቶች ከትምህርት በተለይም ደግሞ ከአንደኛ ደረጃ ትምህርት የሚገኘው ማህበራዊ አላባ እየወደቀ የሚመጣ ሲሆን በአሁኑ ጊዜ ደግሞ ካፒታል በሌላ ማህበራዊ ጉዳይ ላይ ቢውል ከሚገኘው ጥቅም በታችም ሊሆን እንደሚችል ይናገራል።

በ1988-89 በነበረው የጋና የኑሮ ደረጃ ጥናት ላይ ተመርኩዞ ግለው የተባለ ተመራማሪ በ1991 ያደረገው ዝርዝር /"econometric"/ ጥናት ከላይ የተጠቀሰውን አባባል ያረጋግጣል። ግለው ብዙ የመረጃ ስብስቦች ሲኖሩት ውጤቱም ከአንደኛ ደረጃ ትምህርት የሚገኘው ውጤት (private returns to primary education) በጣም ዝቅተኛ እንደሆነና እስከዛሬም ድረስ ከሰሃራ በታች ላሉ የአፍሪካ አገሮችና ለሌሎች ከሌሎች ሲጠቀስ ከነበረው ውጤት በጣም ያነሰ መሆኑን አመልክቶአል። 1998 (Nielsen & Westergard) በዛምቢያ ላይ ባደረጉት ጥናት ተመሣሣይ የሆነ ከትምህርት የሚገኝ ዝቅተኛ ውጤት አሳይተዋል። በ1996 (Moll) እንዳሳየው በ1990 ለደቡብ አፍሪካ ጥቁሮች ከአንደኛ ደረጃ ትምህርት የሚገኘው ውጤት ሁለት በመቶ ብቻ ሲሆን፣ (Bigsten et al.) 1998 ለሌሎች የአፍሪካ አገሮች ተመሳሳይ የሆነ ውጤት አሳይተዋል።

በተጨማሪም ግለው ከሁለተኛ ደረጃና ከከፍተኛ ትምህርት ተቋማት የሚገኘው ውጤት ከአንደኛ ደረጃ ትምህርት ውጤት በአንፃራዊ መልኩ የተሻለ መሆኑን አመልክቷል። ይህ ለተለያዩ የትምህርት ደረጃዎች የተገኘው ውጤት ከሰሃራ በታች ላሉት የአፍሪካ አገሮች የተደረጉ ሌሎች ብዙ ጥናቶች ላይ የታየ ሲሆን ሌሎች አህጉሮች ላይ ከሚታየው ሁኔታ ግን የተለየ ነው። ይህም አፍሪካ ውስጥ ለአንደኛ ደረጃ ትምህርት የሚደረግ ኢንቨስትመንት ምርታማነትን በከፍተኛ ደረጃ ያሳድጋል ከሚለው አስተሳሰብ ጋር የሚቃረን ነው። በጋናና በሌሎች ከሰሃራ በታች ያሉ የአፍሪካ አገሮች በአንደኛ ደረጃ የሚታየው ዝቅተኛ ውጤት፣ የመጠን ለውጥ ከማያሳይ ወይንም እየቀነሰ ካለው ት/ቤት የመግባት መጠን (School enrollment rate) ጋር አብሮ የሚሄድ ነው። ዝቅተኛ የሆነ የኢኮኖሚ ውጤት ወላጆች ለትምህርት የሚያወጡት ወጪ ከሚገኘው ጥቅም ያነሰ ሆኖ እንዲያገኙት፣ በዚህም ምክንያት ልጆቻቸውን ወደ ት/ቤት እንዳይልኩ ገፋፍቶአቸዋል።

ከሰሃራ በታች ባሉ አገሮች ከትምህርት የሚገኝን ውጤት በተመለከተ የሚደረጉ ጥናቶች አብዛኛውን ጊዜ የሠራተኛውን ጥቂት ክፍል የሚይዙ ተቀጣሪዎች /wage earners/ ላይ የሚያተኩሩ ናቸው፤ ነገር ግን አብዛኞቹ አፍሪካውያን በግል ሥራ የሚተዳደሩ ሲሆኑ ይህም በትንንሽ የቤተሰብ እርሻዎች ላይ ወይንም መደበኛ ባልሆኑ ሥራዎች ላይ (informal Sector) ነው። እውነታው ይህ ከሆነ ተጨማሪ ትምህርት በእነዚህ ሰዎች ላይ ምን ዓይነት ለውጥ ሊያመጣ ይችላል? ትምህርት የእርሻ ምርታማነትን በማሳደግ ረገድ የሚያመጣው አዎንታዊ ውጤት መጀመሪያ የታየው ከአፍሪካ ውጪ ባሉ አገሮች ነው። 1997 በስታትስቲክስ የተደገፈው የኬሊየርና ጊንግ ጥናት እንዳመለከተው ትምህርት የእርሻ ምርታማነትን ያሳድጋል የሚለው አስተሳሰብ ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ብዙም አመርቂ አይደለም። ማለትም አብዛኛው የሠራተኛ ኃይል በእርሻ ላይ ተሠማርቶ ምርታማነትን የማሳደግ ፋይዳ አለማሳየቱ በርካታ የሰው ኃይል መሠማራቱ ብቻ ውጤት አልባ መሆኑን ያስረዳል።

የአንደኛ ደረጃ ትምህርት በአፍሪካ ውስጥ ለምን ዝቅተኛ ውጤት አሳየ? ለዚህ መልስ የሚሆነው ተማሪዎች ከትምህርት ገበታ የሚቀስሙት ዕውቀት ጥቂት ነው የሚለው አንድ ምክንያት ሲሆን ሌላው ተማሪዎች በትምህርት ቤት የሚያሳልፉትን ዓመታት መቁጠር የተማረ አምራች የሰው ኃይልን እንደማዘጋጀት መውሰዱ ነው። ነገር ግን ተማሪዎች በተለያዩ ምክንያቶች ለምሳሌ በበሽታ፣ የተመጣጠነ ምግብ ባለማግኘት፣ ትምህርት ቤት ባለመሄድ፣ ወይም ደግሞ የአስተማሪዎች የዕውቀት አድማስ ከተማሪዎች ያልተሻለ መሆን፣ ሥርዓተ ትምህርቱ (Curriculum) ካለው የሥራ እድል ጋር ወይም ከገበያው ሁኔታ ጋር ባለመኼዱ ምክንያት ተገቢውን ዕውቀት ካልቀሰሙ አመታትን መቁጠር ብቻ የተማረ የሰው ኃይል አያፈራም። ጥቂት ቢሆኑም የተካኑት አንዳንድ ጥናቶች ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ትምህርት ብዙ አመርቂ እንዳልሆነ ያመለክታሉ። በጋናና በቡርኪናፋሶ ተማሪዎች ላይ በምርጫ መልክ የቀረቡ መመዘኛ ጥያቄዎች ውጤት የተዘበራረቀ ሲሆን ደቡብ አፍሪካ በሚገኙ ከአንደኛ ደረጃ ትምህርት የጨረሱ ተማሪዎች ላይ የተደረገ የማወቅና የመለየት መመዘኛ ተማሪዎቹ መሠረታዊ ዕውቀት ያለመጨበጣቸውን የሚያመለክት መደምደሚያ ላይ ያደርሳል። ከሰሃራ በታች ባሉ የአፍሪካ አገሮች እንደሌሎች የትምህርት ቤቶች ቁጥር በከፍተኛ ሁኔታ ባደገባቸው ነገር ግን በቂ የገንዘብ ድጋፍ እንዳልተሰጠባቸው አገሮች የትምህርት ጥራት በቂ ትኩረት እንዳልተሰጠው እንዲያውም በትምህርት ጥራትና በዕውቀት ማዳረስ ኪሣራ ቁጥሩ እንደተስፋፋ መገመት ይቻላል።

በሌላ በኩል ደግሞ ሮዘንዝዊግ (Rosenzweig) በ1995 የሰጠው ማብራሪያ የቴክኖሎጂና የገበያ ለውጥን በተመለከተ ነበር። በትምህርት ጥሩ ውጤት እንዲገኝ ምርታማነትን የሚያዳብሩ የትምህርት ዘይቤዎች በቴክኖሎጂ ለውጥ ወይንም በገበያና የፖለቲካ አመራር ለውጥ መኖር ይኖርበታል። ከሰሃራ በታች ባሉ የአፍሪካ አገሮች የነበረው ሁኔታ በእስያ ውስጥ ከታየው አረንጓዴው አብዮት ወይንም በምስራቅ እስያ ከታየው በርን ለውጪ ንግድ መክፈት (Outside Orientation) እና ገበያን ነፃ ማድረግ (Market Liberalization) ጋር ምንም አይመሳሰልም። ይህም የአካባቢው የተጠራቀመ የትምህርት ዓመታት ለምን ለከልሉ የኢኮኖሚ እድገት ዝቅተኛ አስተዋፅኦ እንዲኖረው ምክንያት እንደሆነ ያስረዳል። ዋናው ችግር የትምህርት ማጣት ሳይሆን የእድል (Opportunity) ማጣት ነው።

ሌላው የአፍሪካን ሁኔታ ሊገልፅ የሚችለው ከትምህርት ጥሩ ውጤት ለማግኘት የሚያስፈልጉት የንብረት ባለቤትነት ዋስትናና አመቺ የሆነ የኢኮኖሚ ሥርዓት በአብዛኞቹ የአፍሪካ አገሮች አለመኖር ነው። ጦርነት፤ ሙስና አብዮትና ሌሎች የገበያን ሂደት የሚያውኩ አለመረጋጋቶች ትምህርት በሌሎች በተረጋጋ ሁኔታዎች ሊያገኝ ከሚችለው ዋጋ ያነሰ እንዲያገኝ አድርገዋል። አገር በጦርነት ስትታመስ ደብተር ከማንሳት ይልቅ ጠመንጃ ማንሳት ይመረጣል።

በ1967 ዴኒሰን በተባለ ምሁር ከተከናወነው ፈር ቀዳጅ ጥናት አንስቶ በቅርብ ጊዜ በአለም ባንክ፤ (በ1993) የምስራቅ እስያን የኢኮኖሚ ተአምር በተመለከተ እስከተሠራው ጥናት ድረስ፤ ባለሙያዎች ትምህርት ለጠቅላላ የኢኮኖሚ እድገት በጣም ወሳኝ ሚና እንዳለው ገልፀዋል። በርካታ የኢኮኖሚ ባለሙያዎች የነፍስ ወከፍ ገቢን ለማሳደግ ትምህርት በቂ እንደሆነ ያምናሉ። ይህ እውነት ቢሆን ኖሮ ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ያለው ዝቅተኛ የተማረ የሰው ኃይል ለአካባቢው ደካማ የኢኮኖሚ እድገት በትንሹም ቢሆን ምክንያት ይሆን ነበር። የነፍስ ወከፍ ገቢ ከትምህርት ደረጃ ጋር አብሮ የሚጨምር ወይም የሚቀንስ ቢሆንም በአንዳንድ አገሮች በትምህርት ደረጃና በነፍስ ወከፍ ገቢ መካከል ያለው ግንኙነት ይህንን በግልፅና በማያሻማ መልኩ አያመለክትም። ይህም ከአንዳንድ ስህተቶች የመነጨ ሊሆን ይችላል።

አንዳንድ ጥናቶች ትምህርትን የትምህርት ዕድል ባገጠመው ሰው መጠን (enrollment rate) ይለካሉ። እነዚህ ጥናቶች በአጠቃላይ መጀመሪያ ላይ ያለው ሁለተኛ ደረጃ ትምህርት ቤት የመግባት መጠን ከእድገት መጠን ጋር በቀጥታ እንደሚገናኝ ያሳዩ ሲሆን ከሌሎች የኢንቨስትመንት አይነቶች ጋር ሲተያይ (Physical investments) በትምህርት ላይ የሚደረግ ኢንቨስትመንት ከእድገት ጋራ በደካማ ሁኔታ ነው የሚገናኘው።

የትምህርት ሽፋን መጠን የወደፊት ሠራተኛን በተመለከተ መነሻ ሀሳብ ይሰጣል እንጂ አንድ አገር ያለውን የተማረ የሰው ሀይል መጠን ስለማይገልፅ ጥሩ አመላካች አይደለም።

መደበኛ የጥናት ትንተናዎች እንደሚያመለክቱት የምርት ኃይሎች መከማቸት ካላቸው ምርታማነት ጋር ተዳምሮ የነፍስ ወከፍ ምርት የሚያድግበትን ፍጥነት ይወስናል። ሌሎች ጥናቶች በበኩላቸው የተማረ የሰው ሀይልን መጠን ለመገመት ት/ቤት የመግባትን መጠን ወስደዋል። በዚህ መለኪያ ላይ በመመርኮዝ ባሮ (Barro 1977) የተማረ የወንዶች የሰው ኃይል ለእድገት አስተዋፅኦ ሲኖረው፤ የሴቶች ግን ይህ ነው የሚባል ግብአት የለውም። Pritchett በ1997 የምርት GDP እድገት በያንዳንዱ ሰው ከ 'Physical Capital' እና ከሰው ሀይል ጋር አቀናጅቶና አወዳድሮ ባየበት ጊዜ የ 'Physical Capital' አስተዋፅኦ ከፍተኛ ሆኖ አግኝቶታል።

በማንኛውም መለኪያ በ Physical Capital ላይ የተደረገ ኢንቨስትመንት በሰው ኃይል ላይ ከተደረገ ኢንቨስትመንት በጣም በበለጠ ሁኔታ በኢኮኖሚ እድገት ላይ ጠንካራ አስተዋፅኦ አለው።

የአንዳንድ አገሮችን ልምድ ስንመለከት ትምህርት የኢኮኖሚ እድገትን ያመጣል የሚለውን አስተሳሰብ የሚያፈርስ ሁኔታ ይታያል። ለምሳሌ ያህል በ1965 በኢንዶኔዥያና በታይላንድ የነበረው የአንደኛ ደረጃ ትምህርት ቤት ሽፋን መጠን ጋናና ዛየር ውስጥ ይታይ ከነበረው ብዙ የራቀ አልነበረም፤ ነገር ግን የደቡብ ምስራቅ እስያዎቹ አገሮች ከፍተኛ እድገት ሲያስመዘግቡ ሁለቱ የአፍሪካ አገሮች ከነበሩበት ፈቀቅ አላሉም። በሌላ በኩል ደግሞ ቻይና የነበራትን በከፍተኛ ደረጃ የተማረ የሰው ኃይል (ሙሉ በሙሉ ማለት ይቻላል) በባህል አብዮት ወቅት ብታጠፋም

ከዚህም በተጨማሪ በ1980ዎቹ ትምህርት ሽፋን ዝቅተኛ ቢሆንም ሀገሪቱ ከፍተኛ የሆነ የኢኮኖሚ እመርታ ማስመዝገብ ችላለች።

ከላይ የተሰነዘሩት ሀሳቦች የአፍሪካ አገሮች በትምህርት ላይ ኢንቨስት ማድረግ የለባቸውም የሚለት እንድምታ የላቸውም። የኢኮኖሚ እድገት ፍንጭ ሲኖር ወላጆች ለትምህርት ገንዘብ ማውጣት ጠቀሜታ እንደሚኖረው ተገንዝበው ልጆቻቸውን ወደ ት/ቤት ይልካሉ። ትምህርት በጠቅላላ ብሄራዊ ሂሣብ ማጠቃለያ (Natioal account) ላይ የማይታይ ከፍተኛ ጥቅም አለው። በተለይ የሴቶች ትምህርት የህፃናትና የእናቶችን የመሞት መጠን በመቀነስ ረገድ አስተዋፅኦ ይኖረዋል። ከዚህም በተጨማሪ ትምህርት ዲሞክራሲያዊ የሆኑ ተቋሞችን ለመፍጠር ይረዳል። ነገር ግን የትምህርት መስፋፋት ብቻውን የግለሰቦችንም ሆነ የአጠቃላይ ኢኮኖሚ ብልፅግናን የሚያመጣ ሆኖ መታየት እንደሌለበት ሁሉ ዝቅተኛ የትምህርት ሽፋን ከሰሃራ በታች ባሉት የአፍሪካ አገሮች ብቸኛ የእድገት መሰናክል ሆኖ መወሰድም የለበትም።

የአለም አንድ መሆን አዝማሚያ (Globalization) መድህን ወይስ አደጋ? ለንግድና ለውጭ ካፒታል ፍሰት በርን መክፈት ለአፍሪካ የኢኮኖሚ እድገት ቁልፍ መፍትሄ ነውን? ወይንስ በተቃራኒው ይህ ክስተት በአፍሪካ ላይ ያንዣበበ አደጋ ነውን? በአለም አቀፍ የገበያ ሥርዓት ምክንያት (globalization) አፍሪካ ለማደግ የነበራት ተስፋ ተጭኗልን?

ሀገራዊ ፖሊሲን ለውጭ ገበያ አመቺና ክፍት ማድረግ ለኢኮኖሚ ብልፅግና ቁልፍ ነው የሚለው አስተሳሰብ የዋሽንግተን ምልዑተ ስምምነት (Washington Consensus) አካል ነው። ሳክስና ዋርነር በ1995 እና በ1997 እንዳመለከቱት ለካፒታል፣ ለምርትና ቴክኖሎጂ በርን ለዓለም ገበያ ክፍት ማድረግ አስፈላጊ የእድገት መርሃ ግብር ነው። የኢኮኖሚውን ነፃ መሆን ደረጃ ለመለካት የንግድና የውጭ ምንዛሪ ፖሊሲዎችን መዳሰስ ያሻል። ይህንንም በሰው ኃይል ላይና በቁሳዊ ካፒታል (ግዑዛዊ) (physical capital) ላይ የሚደረግ የኢንቨስትመንት መለኪያዎች በማቀናጀት መመልከት ያስፈልጋል። የእነዚህ ውጤት በአፍሪካ ውስጥ የገበያን ቁጥጥር ለማስለብ የፖሊሲ ምክር ለመስጠት ይረዳል።

የኢኮኖሚ ነፃነትን የሚለኩ መለኪያዎች ሁሉ ከእድገት ጋር የተቆራኙ አይደሉም። ሌላው በኢኮኖሚ ነፃነት መለኪያዎች ላይ ያለው ችግር የንግድ ከለላዎች (trade protection) እውነተኛ ወጪ አለማሳየት ነው። የታሪፍ ከፍተኛነት ወይንም የኮታ መጠን የንግድ ቁጥርን ለማካሄድ የሚደረጉ ደካማ አሠራሮችን ሊሸፍኑ ይችላሉ።

ኢኮኖሚን ለውጭ ክፍት ማድረግ ለእድገት ጠቀሜታ እንዳለው በመረጃ አስደግፈው እንደሚያሳዩት ሁሉ ይህንን አማራጭ የሚጠራጠሩትም በመረጃ የተደገፈ አሉታዊ ውጤት ያሳያሉ። ኢንቨስትመንትን በማሳደግ፣ ሀብትን በአግባቡ ለመጠቀምና ለማዳረስ አዲስ ሃሳቦችንና የቴክኖሎጂ ዝውውር በማፋጠን ረገድ ኢኮኖሚን ክፍት ማድረግ ጠቀሜታ ሊኖረው ይችላል። በእንፃሩ ግን የኢኮኖሚ በር ለውጭ ክፍት መሆን ለእድገት ትልቅ አስተዋጽኦ እንዳለው የሚያሳዩ አማራጮች በአገሮች መካከል ለሚኖረው የእድገት መጠን መለያየት ዋናኛ ምክንያት የኢኮኖሚ ክፍትነት መጠን ለመሆኑ አሳማኝ ምክንያት አይሰጡም። ይህ የሚያሳየው የሀገር ውስጥ ገበያና ፖሊሲዎችም በእድገት ላይ ተፅዕኖ እንዳላቸው ነው።

በካፒታሊስት ኢኮኖሚ በምሳሌነት በምትጠቀሰው በአሜሪካ እንኳን ለኢኮኖሚያዊ ውጤቶች ንግድ ብቸኛ ምክንያት እንዳልሆነ ከተለያዩ መረጃዎች ይታያል፤ ይህም ከላይ ከተጠቀሰው ሁኔታ ጋር አብሮ የሚሄድ ነው። ብዙ አጥኝዎች በአሜሪካን አገር ለሚታየው የደመወዝ መበላለጥ እንዲሁም ደግሞ በአውሮፓ ውስጥ ለሚታየው የሥራ አጥነት ማደግ ትንሽ አስተዋፅኦ ቢኖረውም ዋናው ምክንያት እያደገ ያለው የሰሜን-ደቡብ ንግድ አይደለም ብለው ያምናሉ (Freeman, 1995)(Wood, 1994)። አብዛኛዎቹ ሠራተኞች ለአገር ውስጥ የሚቀርቡ ምርቶች ማምረት ላይ የተሰማሩ ስለሆኑ እነዚህ ገበያዎች ላይ ያለው የአቅርቦትና ፍላጎት ሁኔታ የሠራተኛ ገበያ ላይ ተፅዕኖ ይኖረዋል። በዚህም ምክንያት የምርት ግብአቶች ገበያ ወደ ሌላ ቦታ ብዙ አልተንቀሳቀሰም። ንግድ የምርት ግብአቶች ላይ ያለው አስተዋጽኦ ጥቂት ከሆነ በአጠቃላይ የአገር ምርት /GDP/ ላይም ያለው አስተዋፅኦ ትንሽ ይሆናል።

በአለም ላይ የካፒታል እንቅስቃሴ እየተስፋፋ እንደሆነ ቢነገርም (Feldscin & Horioka 1980) ለአገር ውስጥ ኢንቨስትመንት ያገር ውስጥ ቁጠባ (Domestic Saving) ትልቅ አስተዋፅኦ እንዳለው ይናገራሉ። ሰዎች አገራቸው ላይ ኢንቨስት ማድረግ ይፈልጋሉ የሚለው አስተሳሰብ ትክክል የሚሆነው ያገር ውስጥ የገበያ ሁኔታና ድርጅቶች ለካፒታል ክምችት ምቹ ሆነው ሲገኙ ነው።

ከሌሎች አካባቢዎች ጋር ሲወዳደር ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ውስጥ ከተፈጠረው ካፒታል ውስጥ እዚያው ኢንቨስት የሚደረገው በጣም ጥቂቱ ነው። ኮሊየርና ጌንግ በ1997 ባደረጉት ጥናት መሠረት አፍሪካ ውስጥ በነፍስ ወከፍ ያለው ሀብት ከሌሎች አካባቢዎች ጋር ሲወዳደር በጣም ዝቅተኛ ቢሆንም ከዚህ ሀብት 37 በመቶ የሚሆነው ወደ ሌሎች አህጉራት ይሄዳል። ይህ በደቡብ አሜሪካ ካለው 17 በመቶ እና ምሥራቅ እስያ ውስጥ ደግሞ ካለው 3 በመቶ ጋር ሲወዳደር ከፍተኛ ነው። "አፍሪካ ወደ እስያ ብቻ እንኳን የሚሄደውን ካፒታል ብታስቀር፣ የካፒታል ክምችቷ በግማሽ ይጨምራል" ብለዋል።

የባለቤትነት መብት ቢጠበቅና በተጨማሪም የሀገር ውስጥ የኢኮኖሚ ሁኔታ ላይ ያለው አጠራጣሪነት ቢቀንስ፣ ያገር ውስጥ ቁጠባ ወደ ሌሎች ክፍት ወደ ሆኑ ኢኮኖሚዎች ከመሄድ ይልቅ እዛው ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ኢኮኖሚ ውስጥ ኢንቨስት ይደረግ ነበር።

አብዛኛዎቹ ከሰሃራ በታች ያሉ አገሮች የኢኮኖሚያቸውን በር በአሁኑ ጊዜ ክፍት እያደረጉ ነው። ከዚህ ቀደም ሲጠቀሙባቸው የነበሩት ከውጭ የሚመጡ ምርቶችን በአገር ውስጥ በሚመረቱ ምርቶች ለመተካት የሚጥር የፖሊሲ አቅጣጫ እንዲሁም ደግሞ ከፍተኛ ዋጋ በተሰጠዉ የዉጭ ምንዛሪ ላይ የመተማመን ሁኔታ ኢኮኖሚን ከመደገፍ እኳያ ሳይላካ ቀርቷል። ዛሬ በህገ-ወጥ ገበያ ሲታይ የነበረዉ ከፍተኛ የዉጭ ምንዛሪ ልዩነት እየጠፋ ሄዷል፤ በአሁኑ ጊዜ በአካባቢዉ በሚታየዉ የኢኮኖሚ እድገት ምክንያት ኢኮኖሚን ክፍት ከማድረግ የሚከለክሉ ስልቶችና እነሱን የሚደግፉ ፖሊሲዎች በመቅረታቸዉ ነዉ። የሚያሳዝነው አፍሪካ አሁንም ከአለም ኢኮኖሚ እንደተገለለች ናት። ከሰሃራ በታች ያሉ የአፍሪካ አገሮች የ1995 አጠቃላይ የዉጭ ንግዳቸዉ ከጠቅላላ አለም የዉጭ ንግድ 1.4 በመቶ ብቻ ሲሆን በጠቅላላ ዝቅተኛና መካከለኛ ገቢ ወዳላቸዉ ኢኮኖሚዎች ከፈሰሰዉ ካፒታል ደግሞ 5.9 በመቶዉ ብቻ ከሰሃራ በታች ወዳሉ የአፍሪካ አገሮች ሄዷል። ይህ የሆነው ከሰሃራ በታች ያሉ የአፍሪካ አገሮች የሚነግዱት መጠን ትንሽ በመሆኑ አይደለም። በ1997 ሮድሪክ እንዳሳየዉ ከ ስ ፋ ታ ቸ ዉ ፣ ከ ጂ ኦ ግ ራ ፊ ያ ዊ አቀማመጣቸዉና ከገበያቸዉ መጠን ጋር ሲተያይ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች የንግድ መጠን ተመጣጣኝ ነው። ከሌሎች አገሮች ጋር ሲተያይ የንግድ ፖሊሲዎቻቸዉ የንግድ መጠናቸዉ ላይ ተፅዕኖ ካላደረገ በስተቀር አሁን ላለዉ የአፍሪካ የኢኮኖሚ ችግር ምክንያት ሊሆን አይችልም።

በዓለም ንግድና በአፍሪካ የኢኮኖሚ እድገት መካከል ባለዉ ግንኙነት ላይ ለየት ያለ አመለካከት አለ። ይህም አፍሪካ ከሌሎች ዝቅተኛ ገቢ ካላቸዉ ኢኮኖሚዎች ጋር የምታደርገዉ ዉድድር በዓለም አቀፍ ንግድ ዉስጥ ብዙ እንዳትገፋ ያግዳታል። በ1960ዎቹና በ1970ዎቹ ዝቅተኛ ገቢ ያላቸዉ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ከፍተኛ የሰው ኃይል የሚጠይቁ ምርቶችን ወደ ዉጭ በመላክ መበልጸግ ይችሉ ነበር። ዛሬ ግን እንደ ቻይናና ህንድ ያሉ ብዙ ሠራተኛ ህዝብ ያላቸዉ ኢኮኖሚዎች በከፍተኛ የሰው ኃይል (Labour intensive) የሚሰሩ ምርቶችን ዋጋ ያወረዱት በመሆኑ ወደ 200 ሚሊዮን የሚጠጋዉን ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ያለውን ሠራተኛ ዕድል ዘግተዋል።

ከደቡብ አገሮች ተመርተዉ ወደ ሰሜን የሚላኩ ምርቶች በሙሉ በሰሜን ገበያ ላያገኙ ይችላሉ የሚለው ፍራቻ አዲስ አይደለም። በ1980ዎቹ መጀመሪያ ላይ ክላይን "የምሥራቅ እስያ አገሮች ለእድገት የተጠቀሙበት አማራጭ ለሁሉም አገሮች ሊሠራ ይችላልን?" የሚል ጥያቄ አንስቶ ሆንግ ኮንግ፣ ኮሪያ፣ ሲንጋፖርና ታይዋን የተጠቀሙበት በውጭ ንግድ ላይ የተመሠረተ ስልት በሌሎች አገሮች ለመድገም ያዳግታል የሚል መደምደሚያ ላይ ደርሶ ነበር። ሆኖም ግን ቻይና፣ ኢንዶኔዥያ፣ ታይላንድና ሌሎች ዝቅተኛ ደመወዝ የሚከፍሉ የእስያ ኢኮኖሚዎች ምርቶቻቸውን ወደ ውጭ በመላክ ያስዩት ውጤት የክላይንን መደምደሚያ ውድቅ አድርገዉታል። ይህም የሆነዉ በሰሜኑ ክፍል ክላይን ካሰበዉ በላይ ለዉጭ ምርቶች ገበያ የነበረ ሲሆን በተጨማሪም በእስያ አገሮች መሀል የነበረዉ የንግድ መጠን ማደግ ነው። ስለዚህ የአለም ገበያ ቻይናን ማስተናገድ ከቻለ ሌሎች ትንንሽ ኢኮኖሚ ያላቸዉን ከሰሃራ በታች ያሉ የአፍሪካ አገሮችን የማያስተናግድበት ምንም ምክንያት የለም። የዓለም ባንክ በ1997፣ የክልሎችን እድገት፣ የወደፊት የአለም የንግድ ስምምነቶችን፣ በአለም ላይ እየወደቀ ያለዉን የትራንስፖርት ዋጋንና በአለም ገበያ ላይ ተጽእኖ የሚያሳድሩ ፕሮጀክቶችን በተመለከተ የመንደርደሪያ ሀሳቦችን(assumptions) በማስቀመጥ በ2020 በዓለም ላይ የቻይና የውጪ ንግድ ድርሻ (ሆንግ ኮንግን በመጨመር) በ1992 ከነበረዉ 4.3 በመቶ ወደ 11.3 በመቶ ሊያድግ እንደሚችል ገምቷል። በዚህም ቻይና በአለም ላይ ትልቅ ኃይል ትሆናለች። ይህ ማለት ግን ቻይና የአለምን ገበያ መያዝ ወይንም መቆጣጠር ላይ እንደማትደርስ አሳይቷል። የቻይና፣ የህንድና የሌሎች ከፍተኛ የሰዉ ሀይል ያላቸዉ አገሮች ወደ ዓለም ንግድ መግባት ከሰሃራ በታች ያሉ የአፍሪካ አገሮች በከፍተኛ የሰዉ ሀይል /labour intensive/ የሚመረቱ ምርቶችን ይዘዉ ወደ ዓለም ገበያ ለመዉጣት እንዲከብዳቸዉ የሚያደርግ ቢሆንም ምርታቸዉን አገር ውስጥ ገበያ ላይ ለሚያቀርቡ ድርጅቶች ብዙ ችግር አይፈጥርም። በተጨማሪም እያደገ የሚሄደዉ የዓለም ኢኮኖሚ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ለሚያቀርቡት ምርት አዲስ የገበያ ዕድል ይፈጥራል።

ለንግድና ለውጭው ዓለም ኢኮኖሚን ክፍት ማድረግ አፍሪካ እንድታድግ ሊረዳ ይችላል። ከዉጭ የሚገኝ ቁጠባ አገር ዉስጥ ኢንቨስት ሊደረግ ይችላል። ከዉጭ የሚመጡ ሀሳቦች፣ መረጃዎችና ቴክኖሎጂ ከትምህርት፣ ከቁሳዊ ካፒታልና ከመሠረተ ልማቶች አውታሮች የሚገኘዉን ጥቅም

ከፍ ሊያደርጉት ይችላሉ:: ነገር ግን ኢኮኖሚን ክፍት ማድረግ ብቻዉን ለእድገት በቂ መሠረት ሊሆን አይችልም::

ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ዉስጥ ጉልህ የገቢ አለመመጣጠን አለን?

በአንድ ወቅት የኢኮኖሚ ጠበብቶች የገቢ አለመመጣጠንን ለእድገት አስተዋጽኦ እንዳለዉ ያምኑ ነበር:: ካልደርና (1957) ሉዊስ (1954) የገቢ አለመመጣጠንን ለኢንቨስትመንትና እድገት የሚሆን ተጨማሪ ቁጠባ ምንጭ እንደሚሆን ገምተዋል:: ከሰሃራ በታች ያሉ አገሮችን በማጤን የተዘጋጀዉ የሀሪስ ቶዳሮ ሞዴል "Harris -Todaro model" (1970) እንዳሳየው በገጠርና በከተማ መሀል የሚገኘዉ የገቢ ልዩነት ሰዎች ከገጠር ወደ ከተማ እንዲፈልሱ የገፋፋ ሲሆን በዚህም ምክንያት የከተማ ሥራአጥነትና ሃብትን በአግባቡ ያለመጠቀምን በመፍጠሩ እድገትን ገትቷል::

ድሆች ለምን ድሀ እንደሆኑ ይቀራሉ? በሚል ርዕስ ሊፕተን (በ1977) ባሳተመው መፅሀፍ እንደገለፀው ለከተሞች ያለው የተሳሳተ አመለካከት (Urban Bias) የገጠሩን ኢኮኖሚ ትርፍ ያሟጠጠ ሲሆን የመንግሥት የወጪ አትኩሮት በከተማ ላይ እንዲያነጣጥር አድርጓል በማለት ይደመድማል::

በቅርብ ጊዜ የተደረጉ ጥናቶች እንደሚያመለክቱት ከፍተኛ የገቢ አለመመጣጠን ለኢኮኖሚ ዕድገት አሉታዊ ተፅዕኖ አለዉ:: ይሁንና በተለያዩ ሀገሮች ያለው ተሞክሮ የተለያየ ውጤት ሰጥቷል:: ለምሳሌ ፊሊፒንስ ከፍተኛ የገቢ አለመመጣጠን እያሳት ጥሩ የእድገት ዉጤት ስታሳይ ኮርያ ጥሩ የእድገት ዉጤት ያሳየችዉ በሀብታምና በድሀው መሀከል የነበረው የገቢ ልዩነት ጠባብ በሆነበት ሁኔታ ነው:: መሰል ተቀራራቢ ልዩነት በምሥራቅ እስያ አገሮችና በደቡብ አሜሪካ አገሮችም መሀከል ታይቷል:: ለዚህ ውጤት ምክንያት ሊሆን የሚችል አንድ ነገር ቢኖር ጠባብ የሆነ የገቢ አለመመጣጠን ልዩነት የፖለቲካና አጠቃላይ የሀገራዊ ኢኮኖሚ /Macroeconomic/ መረጋጋትን በማምጣት ኢንቨስትመንትና እድገት ከፍ እንዲል ያደርጋል:: የሀብታሞችና የድሆች ፍላጎት በሚቀራረብበት ጊዜ ፖሊሲዎች ያለ ብዙ ችግር ሁለቱንም ክፍሎች በጥሩ ሁኔታ ሊያገለግሉ ይችላሉ::

አፍሪካ ዉስጥ ከፍተኛ የገቢ ልዩነትና ስለከተማ በእጅጉ የተሳሳተ አመለካከት ካለ የገቢ አለመመጣጠን እድገትን በማጓተት ረገድ ከፍተኛ ተጽእኖ ሊኖረዉ ይችላል:: ነገር ግን አፍሪካ ምሥራቅ እስያ ዉስጥ የታየዉ ዓይነት ዝቅተኛ የገቢ መበላለጥ ባይኖራትም የተጋነነ የገቢ አለመመጣጠን አይታይባትም:: የመረጃዉ ጥራትና የሽፋኑ አድማስ ዝቅተኛ ቢሆንም /Deininger & Squire/ 1996/ ከሰሃራ በታች ባሉ የአፍሪካ አገሮች መሀልና እነዚሁኑ አገሮች ከሌሎች አገሮች ጋር በማነፃፀር የገቢ ልዩነት መጠንን ለማየት ሞክረዋል:: መረጃው እንደሚያሳየዉ ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ያለዉ የገቢ ሁኔታ ተመሣሣይነት የለውም:: እንደ ጊኒ ቢሳዎ እና ደቡብ አፍሪካ ያሉ ኢኮኖሚዎች ሲታዩ ያላቸዉ የገቢ መበላለጥ እንደብራዚልና መሰል የላቲን አሜሪካ አገሮች ከፍተኛ መበላለጥ ያለበት ሲሆን እንደ ጋና ኒጀርና ታንዛኒያ ያሉት አገሮች እንደ ሩቅ ምሥራቆቹ የሚቀራረብ የገቢ ክፍፍል አላቸው::

በተለምዶ እንደምትወቀሰው ዛሬ በአፍሪካ አገሮች ዉስጥ ስለከተሞች ከፍተኛ የሆነ የተሳሳተ አመለካከት አይታይም:: በአፍሪካ ዉስጥ የተጋነነ የገቢ መበላለጥ አለ የሚለውን አመለካከት የሚፃረር መረጃ ጀማልና ዊክስ / 1993/ አቅርበዋል:: እንደባለሙያዎቹ አባባል ከሆነ አፍሪካውያን ነፃነታቸውን እንደተቀዳጁ በነበሩበት ዓመታት እንኳን ስለከተሞች የነበረው የተሳሳተ አመለካከት በገጠርና በከተማ መሀከል ከነበረው የዋጋ አወሳሰን ችግር የመነጨ ሲሆን ይህንንም ሁኔታ በተከታታይ የተከሰተው ምጣኔ ሀብታዊ ቀውስ ጨርሶ በመቦርቦር እንዲከስም አድርጎታል::

ለዚህም አቢይ ማስረጃ ሆኖ የሚቀርበው የመዋቅር ማስተካከያ ፕሮግራሞችን የመቀልበስ ሂደት መከሰት ነው::

የውጭ መገበያያ ገንዘቦችና ለገበያ በሚቀርቡ ሰብሎች (cash crops) ላይ የተጣሉ ከፍተኛ የውጭ ንግድ ታክሶች ከገጠሩ ይልቅ ከተሜውን የደገፉ ነበሩ:: የውጭ ምንዛሪ ማስተካከያ (devaluation) እና ለገበሬው የተሻለ ክፍያ መክፈል መጀመር ቀድሞ የነበረውን ልዩነት ቀንሶታል:: የኢኮኖሚ ውድቀት አፍሪካ ውስጥ ያሉ ሁሉንም ክፍሎች ማለትም፣ ገበሬዎችን፣ ባለሙያዎችን፣ ደሞዝተኞችንና በመደበኛ ሥራ ላይ ያልተሠማሩ ነጋዴዎችን ጨምሮ ተፅእኖ የነበረው ቢሆንም ከዘመናዊ ዘርፍ ጋር በተዛመዱ የሥራ ዘርፍ ላይ የነበሩትን አለቅጥ ጎድቷቸዋል:: የመንግስት ደሞዝተኞች ገቢ፣ ዝቅተኛውን የከተማ የቀን ደመወዝ ክፍያ የመግዛት አቅምና የዘመናዊ ቅጥር እድገት በአስጊ ሁኔታ ቀንሷል::

በአፍሪካ ውስጥ የሚታየው የገቢ አለመመጣጠን ልዩነት ጠበብ ያለ ቢሆን ኖሮ ኢኮኖሚዋ የተሻለ ውጤት ሊያሳይ በቻለ ነበር፣ ይሁንና የሚታየው የገቢ ልዩነት መጠን የኢኮኖሚን እድገት እስከ ጊታ ድረስ መሰናከል ሊሆን የሚችል ግን አይደለም::

ከሰሃራ በታች ያለው አፍሪካ የተለየ ነውን?

ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ያጋጠማቸውን የመሰለ ተደራራቢ የኢኮኖሚ ውድቀት በሌሎች የአለም ክፍሎች ላይ አልደረሰም:: ታዲያ ይህ ሁኔታ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ከሌሎች አገሮች የሚለያቸዉና የኢኮኖሚ እድገት እንዳይኖራቸው የሚያደርግ ውስጣዊ ችግር አላቸው ማለት ነውን?

አንዳንድ ባለሙያዎች ይህ ትክክል ሊሆን እንደሚችል ይገምታሉ:: ኢስተርሊና ሌቪን /1997/ ያተኮሩት ከሰሃራ በታች ባሉ የአፍሪካ አገሮች የሚታየው የብሄረሰቦች ስብጥር መበራከት አንድ ምክንያት ሊሆን እንደሚችል ይገምታሉ:: የብሄረሰቦች መበራከት በሚወጡ ፖሊሲዎች ላይ ማህበራዊ ዕንፈኝነት እንዲፀባረቅና የአንዱ ጥቅም ከሌላው እንዲሻል ግፊት በመኖሩ ምክንያት ዕድገት እንዲጎታ ሆኗል:: በሌላ በኩል ሳክስና ዋርነር /1997/ የተባሉ ምሁራን አፅንኦት የሰጡት እነዚህ አገሮች ያላቸዉን መልክዓምድራዊ አቀማመጥና የተፈጥሮ ሀብት ነው:: የባህር በር የሌላቸዉ አገሮች በርከት ማለትና የሀሩር የአየር ንብረት መኖር ከሰሃራ በታች ላሉ የአፍሪካ አገሮች ዝቅተኛ እድገት ምክንያት ናቸዉ ይላሉ:: በተያያዘ መልኩ ዳይመንድ /1997/ የተባለው ምሁር ደግሞ የአፍሪካ መልክአ ምድር በፈጠረዉ ተፅዕኖ ላይ በማተኮር ከሌሎች አህጉራት በተለየ ሁኔታ የአፍሪካ አቀማመጥ ከሰሜን ወደ ደቡብ መሆኑ በተለያዩ የአየር ንብረት ክልሎች /Zones/ ላይ ያረፈ ነዉ:: በዚህም ምክንያት አቀማመጣቸው ከምዕራብ ወደ ምሥራቅ እንደሆኑት አህጉሮች የእርሻና የሌሎች ቴክኖሎጂዎች በቀላሉ ሊስፋፋ አልቻሉም በማለት ይደመድማል::

እነዚህ ማብራሪያዎች ሲጠቃለሉ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች በምሥራቅና በደቡብ ምሥራቅ እስያ የታየው የእድገት ደረጃ ላይ ሊደርሱ እንደማይችሉ ይጠቁማሉ:: ነገር ግን ይህንን መደምደሚያ ውድቅ የሚያደርጉ አንዳንድ መረጃዎች አሉ:: ከዚህ ቀደም ከሰሃራ በታች ያሉ የአፍሪካ ኢኮኖሚዎች ከፍተኛ የሆነ እድገት አሳይተው ነበር:: በ1965-በ1980 ካሜሩን፣ ኮንጎ፣ ኮት ዲቯዋር፣ ጋቦን፣ ኬንያና ማላዊን ጨምሮ አስር ከሰሀራ በታች ያሉ የአፍሪካ አገሮች ከ 3 በመቶ ከፍ ያለ አማካይ የነፍስ ወከፍ ሀገራዊ ምርት /GDP/ በዓመት እንደነበራቸዉ የዓለም ባንክ ግምት ያሳያል:: እንደዚሁም ከዚህ ቀደም ባሉ ዓመታት ሮዴዥያና (የአሁኗ ዚምባብዌ) ዛምቢያ የተሳካ እድገት የነበራቸዉ መሆኑ ሲታወስ፣ በቅርብ ደግሞ ጋናና ኡጋንዳ ስኬታማ እድገት አስመዝግበዋል:: ብዙዎቹ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች የነበረባቸው ችግር ያስመዘገቡትን ፈጣን ዕድገት ዘለቄታ እንዲኖረዉ ማድረግ አለመቻላቸዉ ነበር:: ፊር ቀዳጅ የነበሩት ተንደፋድፈው ሲወድቁ ታይተዋል:: እንደ አየር ንብረት ያሉ መሠረታዊ /Structural/ ማብራሪያዎች በምክንያትነት መቅረብ ለታዩት የኢኮኖሚ ዉጤት ውጣ ውረዶች በቂ አይደሉም::

ከሰሃራ በታች ባሉ የአፍሪካ አገሮች ዉስጥ የታየዉ የኢኮኖሚ ማሽቆልቆልና መሽመድመድ የማይመለከታቸው አንዳንድ አገሮች አልጠፉም:: ቦትስዋና፣ ሊሶቶ እና ሞሪሽስ ከ3 በመቶ በላይ የሆነ የነፍስ ወከፍ እድገት ለረጅም ዓመታት ነበራቸዉ:: ላለፉት ሠላሳ ዓመታት ማለትም ከ1965-1995 ድረስ ፈጣን እድገት ያሳየው ኢኮኖሚ ምሥራቅ እስያ ውስጥ ያሉት ነብሮች ብቻ ሳይሆኑ ቦትስዋናም ናት:: ይህ የቦትስዋና የላቀ ውጤት ለሌሎች ከሰሃራ በታች ላሉ የአፍሪካ አገሮች ምን ያስተምራል?

የአፍሪካ የኢኮኖሚ ተአምር:- ቦትስዋና

የቦትስዋና ሀገራዊ የምርት መጠን እድገት ዘገባ ባዶ የስታትስቲክስ አኃዝ ብቻ አይደለም፣ ነገር ግን የእድገት መረጃው በቦትስዋናዊው ህይወት ላይ ነፀብራቁ ታይቷል:: የእድገት አመልካች መሥፈርቶች መሻሻል አሳይተዋል:: የህፃናት ሞት ቀንሷል፣ የተማሩ ጎልማሶችና የትምህርት ሽፋን መጠን ጨምሯል፣ ምንም እንኳን የኤድስ በሽታ የብዙ ቦትስዋናዊ ጎልማሶችን ህይወት ቢቀስፍም፣ የቦትስዋና የኢኮኖሚ ዕድገት የአመዛኙን የህዝቡን ክፍል የኑሮ ሁኔታ አሻሽሏል::

በሌላው የአህጉሩ ክፍል ውድቀት ሲከሰት ቦትስዋና መሻሻል ካሳየች አፍሪካ ማደግ ትችላለች ማለት ነውን? ወይስ ቦትስዋና ከአጎራባቾቿ ስለምትለይ ሌሎቹን እንደምትወክል ተደርጎ መውሰድ አይቻልምን?

አንዳንዶች 1.5 ሚሊዮን ብቻ የህዝብ ብዛት የያዘውን የቦትስዋና ኢኮኖሚ በጣም ትንሽ አድርገዉ ስለሚወስዱ ግንዛቤ ውስጥ አይከቱትም:: በአንፃሩ ደግሞ 3 ሚሊዮን የህዝብ ብዛት ያላት ሲንጋፖር ብዙ ጊዜ እንደምሳሌ ትጠቀሳለች:: የቦትስዋና ትንሽነት ለሌሎች ከሰሃራ በታች ላሉ አገራት ተምሳሌት ሆና እንዳትቆጠር ሊያደርጋት አይገባም::

ለአፍሪካ እድገት እንቅፋት ይሆናሉ ተብለው የተጠቀሱት ሁኔታዎች አብዛኞዎቹ ቦትስዋና ውስጥ ይገኛሉ:: ቦትስዋና የባህር በር የሌላትና ገቢዋ በማዕድን ላይ የተመሠረተ አገር ናት:: ቦትስዋና ነፃነቷን በተቀዳጀችበት ወቅት (1966) እና ኢኮኖሚዋ እድገት ከማሳየቱ በፊት ያላት የተማረ የሰው ኃይሏ መጠን ከቁጥር የሚገባ አልነበረም:: እንደ ሀርቬይና ሊዊስ ጥናት ከሆነ በግምት 40 ከዩኒቨርሲቲ የተመረቁና ወደ 100 የሚሆኑ

ሁለተኛ ደረጃ ትምህርታቸውን ያጠናቀቁ ዜጎች ብቻ ነበሩት። ከደቡብ አፍሪካ ጋር ከሚያገናኛት የባቡር መሥመር በስተቀር የሀገሪቱ የመሠረተ ልማት አውታር በጣም ውስን ነበር። በአለም አቀፍ ደረጃ ሲታይ ከፍተኛ የሆነ የገቢ አለመመጣጠን ይታይበት ነበር (Deininger & Squire 1996)። ከነፃነት በኋላ በነበሩት ሠላሳ አመታት ቦትስዋና በአንጎላ፣ በሞዛምቢክ፣ ናሚቢያ፣ ደቡብ አፍሪካና ዚምባቡዌ ይካሄዱ በነበሩ የእርስት ንቅናቄዎችና በተከተለውም ብጥብጥ ተከባ የነበረች ሲሆን ይህም ወደብ የማግኘቱን ሁኔታ በፖቁ ውስጥ ያስገባና በተጨማሪም የጦርነቱና የብጥብጡ ሰለባ ለሆኑት ስደተኞች መጠለያ እንድትሆን አድርጓታል። ይህ ሁሉ ሆኖ ከሌሎች ከሰሃራ በታች ካሉ የአፍሪካ አገሮች በተለየ ሁኔታ ተሻሽላለች እንጂ አልወደቀችም።

ከቦትስዋና የምንማረው ትልቁ ትምህርት ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ኢኮኖሚ በከፍተኛ ፍጥነት ሊያድግ እንደሚችል ነው። ቦትስዋና በኢታማ ውጤት ያገኘችበት ሚስጥር ምን እንደሆነ በደንብ አልታወቀም። በምሥራቅ እስያ የኢኮኖሚ ተአምር ላይ እንደተደረገው ዓይነት ጥልቀት ያለው ጥናትና ውይይት በአፍሪካ የኢኮኖሚ ተአምር ላይ አልተደረገበትም። በቦትስዋና ላይ ከተሠሩት ጥቂት ሥራዎች መካከል በተለይም ደግሞ በሀርቬይና ሉዊስ / 1990/ ከተደረገው ጥናት አንዳንድ ነገሮችን ማየት እንችላለን።

የመጀመሪያው ቁም ነገር የኢኮኖሚ ፖሊሲዎች ለውጥ እንደሚያመጡ ነው። የቦትስዋና ፖሊሲ የተመዘነና የተጠና የገንዘብና የኢኮኖሚ አቅጣጫ ተከትሏል። ዋና የገቢ ምንጫቸዉ በዳይመንድ ማዕድን ላይ የተመረኮዘው የቦትስዋና ባለሥልጣኖች "Dutch Disease" ከሚባለው ለመራቅ ሞክረዋል። ይህም ማለት ከውጭ ንግድ የተገኘውን ገቢ (ባጋጣሚ የተገኘን ከፍተኛ ጥቅም ጨምሮ) ኃላፊነት በጎደለውና ከእርሻና ከማዕድን ውጭ ያሉ የኢንዱስትሪ ዘርፎችን እድገት ሊጎዳ በሚችል ሁኔታ አላጠፋትም። የውጭ ምንዛሪ ተወዳዳሪና የተረጋጋ በሚሆን መልኩ ነበር የተተመነው። በአለም የዳይመንድ ኢንዱስትሪ ባህርይ ምክንያት ቦትስዋና ሌሎች ገቢያቸው በማዕድን ላይ ከተመረኮዘ ከሰሃራ በታች ካሉ የአፍሪካ ኢኮኖሚዎች በእጅጉ ያነሰ የንግድ መዛባት ስላጋጠማት ተጠቃሚ ለመሆን በቅታለች። ነገር ግን ቦትስዋና ከሌሎች በተፈጥሮ ሀብት ከታደሉ ሀገሮች የበለጠ ያላትን የተፈጥሮ ሀብት በአግባቡ በመጠቀሚ ጎልታ ልትታይ በቅታለች።

ቦትስዋና በደቡብ አፍሪካ የጉምሩክ ማህበር ውስጥ ተሳታፊ በመሆኗ በሀገር ውስጥ ባለሀብቶች ለሀገር ውስጥ ምርት ጥበቃ እንዲደረግና የተለየ ጥቅም ለማግኘት ያደረጉትን ግፊት ለመቋቋም አስችሏታል። ይህም በሌሎች የአፍሪካ አገሮች የሚታየው ዝቅተኛ ውጤታማነትና ብክነት በቦትስዋና እንዳይታይ ረድቷል (Rodrik 1997)። መንግሥት የሀገሩን ሀብት በኢኮኖሚያዊና ማህበራዊ ውጤት በሚያመጡ ውጥኖች ላይ አዋለ። ከትልልቅ የውጭ ባለሀብቶችና ኩባንያዎች ጋር የተደረገ ፍሬያማ ድርድርና በትምህርት ላይ በተለይም በአንደኛ ደረጃ ትምህርት ላይ ያደረገው ኢንቨስትመንት የሀገሪቱ መሪዎች ኢኮኖሚውን በጥሩ ሁኔታ እንዳስተዳደሩት ያመለክታል።

ከቦትስዋና የምንወስደው ሁለተኛው ቁም ነገር ደግሞ፣ ቦትስዋና እንደ ዲሞክራሲያዊ አገር ጠንካራና ራሱን የቻለ የሲቪል ተቋም ይዛ መቆየት የቻለች ሲሆን አጎራባች አገሮች ግን አምባገነናዊ አመራር ጠፍሮ ስለያዛቸው ይህንን ሊያገኙ አልቻሉም (Holm 1994) ። ዲሞክራሲያዊ አመራር ለአፍሪካ አገሮች እድገት ከሌሎች አገሮች የበለጠ ያስፈልጋቸው ይሆናል፤ ምክንያቱም አምባገነናዊዎቹ የአፍሪካ መሪዎች (በማናቸውም ምክንያት ይሁን) እያደገ ከሚሄድ ጠቅላላ ሀገራዊ ምርት ውስጥ ቋሚ ድርሻ ከማግኘት ይልቅ የነርሱ ድርሻ ብቻ የሚያድግበትን መንገድ ሲተልሙና ለማሳካት ሲጥሩ ይስተዋላሉ። ቦትስዋና ከሰሃራ በታች ካሉ የአፍሪካ አገሮች ውስጥ ወጥ የሆነ የብሄረሰብ ጥንቅር ያላት አገር ስለሆነች ዲሞክራሲያዊ ሥርዓትን ለመገንባት አመቺ ሁኔታ ተፈጥሮ ሊሆን ችሏል። በተመሳሳይ ሁኔታ ብዙ የብሄረሰብ ስብጥር ባለበት አህጉር ውስጥ ትንንሽ አገሮች ለእድገት ምቹ ሁኔታ ሊኖራቸው ይችላል።

መልካም ውጤት ብዙ ጊዜ ሌሎችን ለሙከራ ይጋብዛል። እናም የቦትስዋና ጎረቤቶች የቦትስዋናን አካሄድ ለምን እንዳልሞከሩት ያጠያይቃል። በተጨማሪም ደግሞ የእድገት አራማጆች አፍሪካውያን ከነሱ ብዙ ሺህ ማይል እርቀው በፓስፊክ የሚገኙ አገሮችን እንደምሳሌ ከማሳየት ይልቅ ከጎረቤታቸው ያሉትውን ቦትስዋናን ለምን እንዳላሳዩም ሌላው አጠያያቂ ጉዳይ ነው። የሆነው ሆኖ ቦትስዋና ከሰሃራ በታች ባሉ የአፍሪካ አገሮች የኢኮኖሚ ድል ሊገኝ እንደሚችልና ዘላቂ የኢኮኖሚ እድገትን የሚያሰናክሉ ችግሮችን መቋቋም እንደሚቻል የምታሳይ ምሳሌያዊት አገር ናት።

ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ኢኮኖሚያዊ እድገት ትንሣኤ

ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ለምን ዝቅተኛ የሆነ የእድገት ደረጃ እንደነበራቸው ከላይ ባሉት ምዕራፎች ለማሳየት ተሞክሯል። ይህ ማለት ግን እነዚህ ችግሮች እድገትን የሚያግዱና መወጣት የማይቻሉ መሰናክል ናቸው ማለት አይደለም። ከሌሉ ዝቅተኛ የሆነ የትምህርት ደረጃ ላይ ያለ የሠራተኛ ኃይል ይኖረው ይሆናል። ሆኖም ግን የአፍሪካ ነጋዴዎች እንቅስቃሴ ወይም በደጉ ኢኮኖሚዎች ውስጥ በስደት የሚገኙ አፍሪካውያን የሚያሳዩት ውጤት አመቺና ዘመናዊ ኢኮኖሚ ሁኔታና ካፒታል ቢያገኝ አፍሪካ ሊኖራት የሚችለውን የሠራተኛ ችሎታና ዕውቀት ያሳያሉ።

ከአፍሪካ ወደ ውጭ የሚሻገረው (የሚሸሸው) ካፒታልና አህጉሪቷ ያላት የተከማቸ ስምቅ የማዕድን ሀብት ሊኖር የሚችለውን ያልተነካ ምርታማ ኢንቨስትመንት ያሳያል። አፍሪካ ለጥሩ እድገት መረማመጃ የሚሆን የተዘጋጀ መንደርደሪያ ሳይኖራት ይችላል። ነገር ግን አብዛኛው ታዳጊ ሀገር ይህ አልነበረውም። ታዲያ አፍሪካ ማደግ ለምን አቃታት?

<u>የአፍሪካ እድገት በፖለቲካዊ ብጥብጥ ታፍኖ ነበር። ይህም ዲሞክራሲያዊ ባልሆኑና ሁከት በተሞሉ አመራሮች ምክንያት ነው። በተጨማሪም ደግሞ በአፍሪካ ውስጥ የንብረትና የካፒታል ጥበቃ ዋስትና የለም። እነዚህ መሠረታዊ ነገሮች ካልተሟሉ በትምህርት ላይ የሚደረግ ኢንቨስትመንት፣ የኢኮኖሚን በር ክፍት ማድረግና የገቢ ተመጣጣኝ መሆን ለእድገት ብዙ አይረዱም። ከትምህርት የሚገኘው ውጤት በአፍሪካ ውስጥ ዝቅተኛ የሆነው፣ የካፒታል ከአገር ውስጥ መሸሽ ከፍተኛ የሆነው እንደዚሁም ደግሞ ወደ ነፃ ዝያ የተደረገው ሽግግር ተአምራዊ እድገት ያላመጣው ትምህርት፣ ኢንቨስትመንትና ንግድ ፍሬያማ ሆነው ለመንቀሳቀስ ሠላማዊና የተረጋጋ የኢኮኖሚ እንቅስቃሴ ሁኔታ በመፈለጋቸው ነው።</u>

በቅድሚያ የፖለቲካ ብጥብጥ የመጨረሻ ደረጃ የሆነውን ጦርነትን እንመልከት። የክልሉን አንድ አራተኛ የሚሆነውን የህዝብ ብዛት የሚይዙ አሥራ ሁለት የሚሆኑ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ለረጅም ጊዜ በጦርነት ውስጥ ነበሩ (1975 – 1995 በነበረ ጊዜ ውስጥ)። ዘ ኢኮኖሚስት (በ1998) እንደዘገበው "ዛሬ ከሰሃራ በታች ካሉ የአፍሪካ 42 አገሮች ውስጥ አንድ ሦስተኛው በአለም አቀፍ ወይም በእርስ በርስ ጦርነት ውስጥ ናቸው"። የጦርነቱ ችግር በሌላም መረጃ ሊታይ ይችላል፤ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች የአለምን አሥር በመቶ የህዝብ ብዛትና 46 በመቶ የሚሆነውን የአለም ስደተኛና የአገር ውስጥ ተፈናቃይ (internally displaced) ያሳያሉ (Haughton, 1997) ።

<u>ጦርነት ከሰሃራ በታች ያሉ የአፍሪካ አገሮች የሚፈልጉትን ምርታማ ክምችትን እንደሚቀንስ ሁሉ ሙስናም ተመሣሣይ የሆነ ሁኔታ ይፈጥራል።</u> 30 የሚሆኑ ዝቅተኛና መካከለኛ ገቢ ያላቸው ኢኮኖሚዎችን ጨምሮ በ54 አገሮች ሙስናን በተመለከተ የተደረገው ጥናት እንደሚያመለክተው በናሙናው ውስጥ የተካተቱ አራት ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ናይጀሪያ፣ ኬንያ፣ ካሜሩንና ኡጋንዳ በቅደም ተከተል 1ኛ፣ 3ኛ፣ 6ኛና 12ኛ ሆነዋል። <u>አምባገነንነት የኢኮኖሚ እድገት ተፃራሪ ላይሆን ይችላል፤ ነገር ግን የአፍሪካ አምባገነኖች እድገት የሚጨምር ፖሊሲ ሲመርጡ አልታዩም። በአለም ከታወቁት ገንዘብ የሚሹ ፖለቲከኞች መካከል ናቸው።</u>

<u>ከሰሃራ በታች ያሉ የአፍሪካ አገሮችን ለኢኮኖሚ እድገት ዋና የሆነውን የመሠረታዊ ኢኮኖሚ ጥበቃ እንዳገር የመጨረሻ ቦታ የያዙት በጦርነት፣ በሙስናና በአምባገነናዊ ሥርዓት ምክንያት</u> ነው። በዎል ስትሪት ጆርናል በተዘጋጀው "The Heritage Foundation/Wall Street Journal" በተዘጋጁ የኢኮኖሚ ነፃነት መለኪያ መሠረት በ1998 ሦስት የአፍሪካ አገሮች ማለትም ቦትስዋና፣ ናሚቢያና ስዋዚላንድ ብቻ በኢኮኖሚ ነፃነት ከከፍተኛዎቹ 50 አገሮች ጋር የተመደቡ ሲሆን 50 በመቶ የሚሆኑት የአፍሪካ አገሮች ዝቅተኛው መደብ ውስጥ ይገኛሉ።

<u>ለሁሉም መፍትሄ ሊሆን የሚችል የኢኮኖሚ እድገትን የሚያስገኝ አንድ ቀላል የሆነ ቀመር ሊኖር አይችልም፣ ነገር ግን እድገትን ሊከለክል የሚችል አንድ ነገር አለ፤ አለመረጋጋትና የንብረት ባለቤትነት አለመኖር።</u> ስዎች ምርታማ በሆኑ እንቅስቃሴዎች ሀብታቸውን እንዲያፈሱ ከሰሃራ በታች ያሉ የአፍሪካ አገሮች ሠላምና የተረጋገጠ የባለቤትነት መብት እንዲኖራቸው ሲያስፈልግ፣ በሌላ በኩል ደግሞ ሙስና መቀነስ ይኖርበታል። እዚህ ደረጃ ለመድረስ አበዳሪዎችና ለጋሾች የሚጫወቱት ሚና ይኖራል። ተረጅዎች መንግሥታት የዋሽንግተኑን ምልዐት ስምምነት /"Washington consensus"/ ከሚያስቀምጣቸው ቅድመሁኔታ ጋር የሚስማሙ ነገር ግን ቀና የሆኑ ማስተካከያዎችን ለማድረግ የሚያስችል የፖለቲካ መዋቅር የሌላቸውን ሳይሆን ለዘመናዊ የኢኮኖሚ እድገት የሚሆን የመሠረት ድንጋይ ምሰሶ የሚያስቀምጡትን መሆን ይኖርበታል።

ካፒታሊዝም የተለያዩ ለውጦችን ለማድረግ የሚያስችል ጠንካራ የሆነና በአማራጮች የተሞላ የኢኮኖሚ ሥርዓት ነው። የአፍሪካ አገሮች ባለሀብቶች ከኢንቨስትመንታቸው ትርፍና ውጤት /reward/ ለመሰብሰብ የሚያስችል የተረጋጋ የፖለቲካ ሁኔታ ካለ ለእድገት እንደ እንቅፋት የተጠቀሱትን እንደ ትምህርት፣ ንግድ፣ የገቢ መበላለጥ፣ መልክዐ-ምድርና የአየር ንብረትን ማሸነፍ የማይችሉበት ምክንያት የለም።

[1] ይህ ፅሁፍ በዲሴምበር ወር 1998 በገንዘብ ሚኒስቴር አዘጋጅነት ለተካሄደው ጉባዔ በዶ/ር ሊንዳወር የቀረበ ፅሁፍ ነው። ይህን ፅሁፍ እንድናቀርብ ስለፈቀዱልን እናመሰግናለን።

[2] በፅሁፍ ውስጥ የተጠቀሱት ንዑሳንምህረቶች በሙሉ እንደ አውሮፓውያን አቆጣጠር ናቸው።

CRITICAL SUCCESS INDICATORS IN STRATEGIC MANAGEMENT OF BANKS:

A LESSON FOR BANK CEOS

By
Yonas Getaneh
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Lesson 1
Asset Turnover

Assets are used to generate income. Therefore, a bank should manage its assets efficiently to maximize income. The relationship between assets and income is called asset turnover. A bank can compute asset turnover simply by dividing total income (summation of interest income, commission and others) by total assets (summation of cash, loans and advances, fixed assets, treasury bills, etc..). Since non-performing loans have an impact on bank's income, it is better to always check the quality of loans and advances.

The more qualitative the assets are, the more income they will earn. Higher ratios depict higher efficiency and quality of assets. In other words, it would always be better to ensure satisfactory level of cash, quality of loans & advances and other asset side accounts in order to achieve higher income.

Lesson 2
Gross Margin Vs Total Expense

This ratio explains some facts about the return of every penny banks pay for depositors, employees and others related to operation. It is tantamount to say one Birr expended will bring x amounts of return (profit). The higher the ratio, the better.

Lesson 3
Gross Margin Vs Total Income

This ratio is a good indicator of profitability. Out of the total income earned, what portion is our net income before tax? It answers such type of question. Since tax is not controllable by banks, its impact is not reflected in the ratio. This is also a marketing effectiveness measurement tool.

Lesson 4
Interest Earned Vs Interest Expense

This is a key indicator of success in banking since the bread winning activities in this industry are mobilizing deposit, on the one hand, and deploying this deposit in profitable ventures via loans & advances. Therefore, one who excels in this ratio is the best performer in the industry.

Lesson 5
Gross Margin Vs Salaries and Benefits

Productivity of labor is one of the strategic ingredients for any bank to survive, especially, the forth coming competition in the Ethiopian banking industry. So every bank should strive to hold a productive work force to gain competitive edge over the others. In this regard, the ratio helps to pinpoint in which bank, labor is most productive. It also shows the relationship of bank's expenditure on labor and its respective returns. CEO's should check that productivity of labor is in line with the monthly per capita expenditure.

Lesson 6
Margin Of Safety (Operational Risk)

The excess of actual income over the break-even income is known as the margin of safety. The margin of safety is often expressed as a percentage of income. It indicates the extent to which income may fall before a bank suffers a loss. The larger the margin of safety, the safer the bank. When the margin of safety is low, CEO's should think of the possibilities of increasing bank charges, provided it doesn't adversely affect the banking operation or reducing variable costs like interest expense by mobilizing more demand deposits and less of savings and time deposits. In addition, CEO's should probe even further to identify and minimize controllable expenditures in general expense and salaries and benefits. These are strategies that CEO's perhaps adopt to increase its low level of margin of safety. CEO's should know margin of safety to talk of risk management in banks.

Lesson 7
Staff Strength

This figure tells the often-asked question "Who is the major employer in the industry? and Where do banks stand among others in creating job opportunities in the industry?" It will also take a minute to calculate the share of each bank by dividing the individual bank's staff strength by industry total and see where each bank stands.

Lesson 8
Monthly Per Capita Expenditure

This figure is arrived at by dividing salaries and benefits of individual bank's by the staff strength multiplied by twelve months. To put it mathematically,

$$= \frac{\text{Salaries \& Benefits}}{\text{Staff strength} \times 12 \text{ months}}$$

It shows in which bank the staff is most benefiting and by how much. This figure requires continuous follow-up in order to reduce staff turnover and maintain quality staff.

Lesson 9
Market Share

Market share and profitability are strongly related. Return on bank's assets, expense, and all other ratios increase steadily as market share increases. Banks that have relatively large market share tend to have above industry average rates of return. The ratio of promotional expenses to income tend to be lower for banks having high market share because they can reach large number of customers at one go.

Therefore, any bank should continuously make efforts to improve its market share. Since this is a delicate matter, it always demands much of CEO's time and attention.

Currently, it would be a futile effort to think of money market in Ethiopia with the unfavorable market share of private banks.

Lesson 9. Market Share Analysis (Comparative)

Ser. No	Bank	June 30, 1997			September 30, 1997		
		Deposit	Loan	Int'l Banking	Deposit	Loan	. Int'l Bankin
1	Commercial Bank of Eth.	91.53	75.30	94.85	91.76	73.48	92.54
2	Development Bank of Eth.	0.27	14.53	0.00	0.16	16.01%	0.00%
3	Construction & buss. Bank	4.01	6.79	0.00	3.66	6.78	0.00
4	Awash International S.C.	1.97	1.91	3.26	2.06	1.88	3.36
5	Dashen Bank S.C.	1.90	1.25	1.48	1.92	1.33	1.96
6	Bank of Abyssinia S.C.	0.32	0.22	0.40	0.4	0.53	2.13

Source: National Bank of Ethiopia's Quarterly Bulletin

Lesson 10
Industry Average

The first step in any strategic planning is to know "where you are now?" "Am I below the industry average?" and "By how much do I lag behind the industry leaders in market share and other measurements?" Then comes the rest of the strategic questions:

- Where do I want to go?
- How might I get where I want to go?
- Which way is the best?
- How can I ensure arrival?

All the ratio and market share analysis boil down to explain where banks stand. The rest of the things that must be done in strategic planning remains in the purview of CEO's.

Lesson 11
Asset Portfolio Management

11.1 Cash Management

$$= \frac{\text{Cash}}{\text{Total Assets}} \times 100$$

Ser. No	Bank	1997	1996	1995
1	Dashen Bank	38%	-	-
2	Awash International Bank	18%	12%	20%
3	Bank of Abyssinia	50%	-	-
4	Commercial Bank of Ethiopia	34%	28%	37%
5	Construction & Business Bank	8%	10%	11%
6	Development Bank of Ethiopia	-	20%	16%

The litmus test for banks is to maintain on average 10-20% of their total asset in the form of cash.

11.2 Credit Management

= Loans & Advances x 100 / Total Assets

Ser. No	Bank	1997	1996	1995
1	Dashen Bank	39%	-	-
2	Awash International Bank	53%	61%	53%
3	Bank of Abyssinia	38%	-	-
4	Commercial Bank of Ethiopia	43%	40%	31%
5	Construction & Business Bank	81%	80%	76%
6	Development Bank of Ethiopia	-	57%	57%

To maintain sound profitability, the percentage share of loans and advances should lie between 50-70% on average.

11.2.1 Loans & Advances Vs Total Deposit

Ser No.	Bank	1997	1996	1995
1	Dashen Bank	0.667:1	-	-
2	Awash International Bank	0.84:1	1.03:1	1.20:1
3	Bank of Abyssinia	0.74:1	-	-
4	Commercial Bank of Ethiopia	0.57:1	0.57:1	0.47:1
5	Construction & Business Bank	1.58:1	1.70:1	1.44:1
6*	Development Bank of Ethiopia	-	-	-

* A specialized bank.

In this arena, banks should maintain a ratio in the range of 0.65-0.80:1 to fulfill the statutory requirement and achieve a satisfactory level of profitability.

Lesson 12 - Capital

Rank	Bank	Paid-up capital (in '000,000 Birr)
1	Commercial Bank of Ethiopia	619.7
2	Development Bank of Ethiopia	250.0
3	Construction & Business Bank	59.9
4	Awash International Bank	30.0
	Wegagen Bank	30.0
5	United Bank	21.8
6	Bank of Abyssinia	18.8
7	Dashen Bank	14.9
	Total	1045.1

The aggregate paid-up capital of the banking industry is 1045.1 million Birr(equivalent to 139.3 million USD at exchange rate of 1 USD=7.501 Birr). The world's 500th largest bank is Commercial Bank of Kuwait which has a capital of 499.6 million USD (Institutional Investor, August 1998). One bank in Kuwait more than triples the aggregate capital of the banking industry in Ethiopia.

The strategy to improve this situation could be merging all banks into one and bring about operational and financial synergy. In due course, invite foreign banks to take part in bringing dynamism in the industry. Since foreign banks come with the capital, know-how and technology, this will also create an opportunity for banks in Ethiopia to develop their competence in every respects.

LESSON 13
Branch Expansion

Rank	Bank	Total Number of Branches in Ethiopia
1	Commercial Bank of Ethiopia	169
2	Development Bank of Ethiopia	32
3	Construction & Business Bank	20
4	Awash International Bank	13
	Dashen Bank	13
5	Wegagen Bank	8
6	Bank of Abyssinia	4
7	United Bank	1
	Total	260

Rank	Bank	Total Number of Branches in Addis Ababa
1	Commercial Bank of Ethiopia	33
2	Awash International Bank	7
3	Construction & Business Bank	5
	Dashen Bank	5
4	Wegagen Bank	4
	Bank of Abyssinia	4
5	Development Bank of Ethiopia	1
	United Bank	1
	Total	60

$$\text{*Branch Per Capita} = \frac{\text{Population of Ethiopia}}{\text{No. of Bank Branches in Ethiopia}}$$

$$= \frac{60{,}000{,}000}{260} = 231{,}000$$

For every 231, 000 people there is one bank in Ethiopia assuming bank branches are evenly distributed.

$$\text{Branch Per Square km} = \frac{1{,}112{,}000\ \text{km}^2}{260} = 4277$$

For every 4277 square km area there is one bank in Ethiopia assuming the bank branches are evenly distributed and every people make use of banks.

$$\text{Branch per capita in Addis Ababa} = \frac{\text{Population of Addis Ababa}}{\text{No of Branches in Addis Ababa}}$$

$$= \frac{3{,}000{,}000\ \text{(estimate)}}{60}$$

$$= 50{,}000$$

In Addis Ababa, there is one bank for every 50,000 people assuming the bank branches are evenly distributed throughout the city and every people make use of banks.

$$\text{Branch per capita out of Addis Ababa} = \frac{60{,}000{,}000 - 3{,}000{,}000}{200}$$

$$= \frac{57{,}000{,}000}{200} = 285{,}000$$

This depicts that there is one bank for every 285, 000 people out of Addis Ababa implying that the effectiveness of banks to penetrate into the region where there is no bank is very low. Thus, efforts should be made by every bank to take this opportunity of the Ethiopian banking industry. CEO's should not bother about the feasibility of opening a branch out of Addis since most part of the country is not adequately banked so as customers feel satisfied with the services rendered by existing banks in the locality.

LESSON 14
Management Efficiency

Ser. No.	Bank	Income before tax x100 / Total Assets		
		1997	1996	1995
1	Dashen Bank	1.65%	-	-
2	Awash International Bank	1.99%	3.02%	2.16%
3	Bank of Abyssinia	0.19%	-	-
4	Commercial Bank of Ethiopia	1.32%	3.31%	2.50%
5	Development Bank of Ethiopia	4.13%	4.13%	4.03%
6	Construction & Business Bank	0.67%	1.34%	0.52%
	Industry Total	9.95%	11.80%	9.21%
	Industry Average	1.66%	2.95%	2.30%

The return on investment is the key indicator of profitability for a bank. It matches operating profits with the assets available to earn a return. Banks that are efficiently using their assets have relatively high return. Less efficient banks have a lower return. This ratio is very important concept in profit planning. It helps to evaluate every CEO's of Banks in a rational way. As the table shows, Development Bank of Ethiopia leads, followed by Awash International Bank and Dashen Bank, respectively. The lesson here could be small banks should not be terrorized by gigantic banks. ■

INSTITUTIONS AND DEVELOPMENT: A NOTE ON CONCEPTUAL FRAMEWORK

By
Dejene Aredo

The Ethiopian Economic Association and the Department of Economics, Addis Ababa University plan to hold the Ninth Annual Conference on the Ethiopian Economy in September 1999. The conference will focus on the theme: Institutions, Resources, and Development in Ethiopia. This brief note attempts to provide a preliminary conceptual framework for prospective papers to be written for the Conference.

The importance of institutional economics has been confirmed by the award of the Nobel Prize for Economics first in 1991 to Konald Coase, and then in 1993 to Douglas North, a renowned economic historian. According to Robert Solo (1989), the problems of institutional economics have consisted the following: (1) the market system is no longer seen as autonomous and closed, but as linked to the political system; (2) the institutionalist's analytic seeks to explain and predict the market consequences of alternative distributions of property rights; and (3) it is difficult for the economist to detach himself/herself from the process of value judgment.

Institutions can be defined as the rule of the game or as the legal, administrative and customary arrangements for repeated human interactions. Their major function is to enhance the predictability of human behavior [Pejovich 1995]. Institutions may be formal (embodied in laws or organizations) but they may also exist informally as a consequence of repetition or custom. It is important to make a distinction between market institutions for exchange of goods and services and political institutions for pursuit of common interests.

Institutional analysis has adopted two inter-related approaches: 1) the transaction costs and information costs approach and 2) the collective action approach [Nabli and Nugent 1989]. The former contains different but interrelated themes. One such theme is concerned with the role of transaction costs in economic organizations. The general hypothesis is that institutions are transaction cost-minimizing arrangements, which may change and evolve with changes in the nature and sources of transaction costs and the means for minimizing them. A second theme is the property rights approach, which is associated with the law. The existence of property rights may reduce conflicts and facilitate co-operation in both cases resulting in a reduction in transaction costs. In this way, along with technology and other traditional constraints, institutional constraints enter into the decision process of individuals. In the presence of transaction costs, different systems of property rights yield solutions of differing efficiency. What is efficient in the presence of transaction costs may be quite different from that which is efficient in the traditional neoclassical economics without transaction costs. The third theme, which is closely related to transaction costs, is concerned with incomplete information and asymmetries in information in particular. The problems of "adverse selection" and "moral hazards", which were first identified in the context of insurance markets, have been found to be relevant for a large class of problems where asymmetries of information are present between the parties to a contract. These problems, moreover, may lead to "market failure" unless incentive mechanisms capable of overcoming them, such as appropriate forms of contract, are developed.

The second general approach in the New Institutional Economics concerns collective action and the elimination of "the free-rider problem". The key issue in the collective action literature is to "explain collective outcomes in terms of individual motivation", or, to put it differently, to explain the likelihood of success or failure of a given set of self-interested individuals in undertaking actions that may benefit them collectively. The theory of collective action has been concerned with public or collective goods or with common property resources [Nabli and Nugent 1989].

Institutions structure economic forces and play an important role in expanding human choices; a fundamental goal of economic development. Institutions affect choice by influencing availability of information and resources, by shaping incentives, and by establishing the basic rules of social transactions. Institutional innovations contribute to development by providing more efficient ways of organizing economic activity [Ostrom et al 1989]. In the words of Douglas

North (1992), "Institutions and the way they evolve shape economic performance." According to Burki and Perry (1998:143) "Well defined institutions reduce transaction costs by ameliorating information and enforcement problems. Thus, they make possible the existence, efficiency, and depth of markets and organizations" [Burki & Perry 1998: 143].

In their famous book, Institutional Obstacles to Latin American Growth, Borner and Weder (1992) argued that overcoming institutional obstacles is a necessary precondition for achieving economic growth. They showed that uncertainties about the rules of the game have devastating effects on private investment and specialization. They further identified two sources of institutional uncertainties, i.e., 1) unpredictability of government intervention and 2) lack of consistent enforcement of private contracts.

In a recent workshop organized by the Economic Development Institute of the World Bank, it was observed that institutional arrangement for allocating resources take three forms: 1) voluntary exchange (usually in markets), 2) hierarchy (one individual has recognized authority in relation to others), and 3) collective action (many individuals acting in concert with others).

The workshop further noted that institutional forms (or organizations) consisted of 1) the private sector, 2) public sector, 3) civil society, and 4) hybrids. It also noted noted that there could be cases of market failure, government failure, and collective action failure. Institutional analysis is required to address these failures. The workshop discussed how institutional analysis incorporates institutional constraints into economic and policy analysis with a view to help crafting more effective public, private, and civil society institutions both at the macro and the micro levels. What emerges from above is that institutions matter for development and that "getting prices right" alone is not enough. Non-price variables should also be taken into account in designing development programs.

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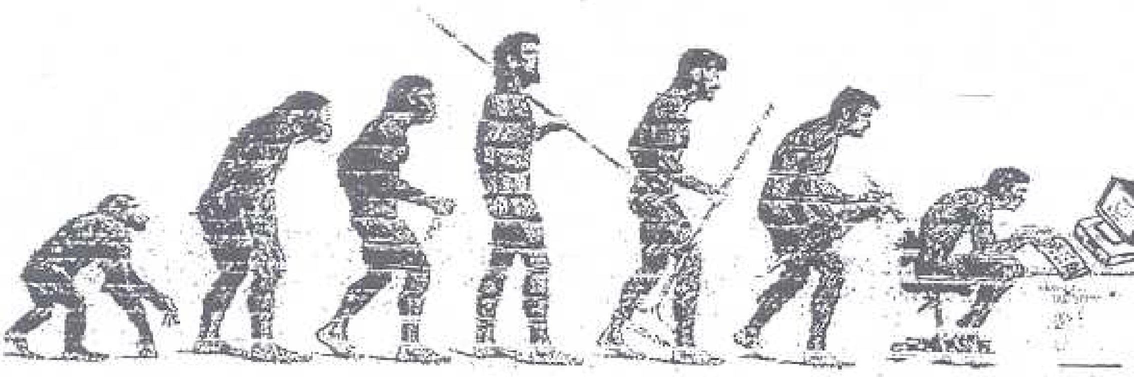

Somewhere, something went terribly wrong

MAJOR ECONOMIC NEWS IN THE LAST TWO MONTHS

I. General

The Water and Sewerage Authority says the Dire Water Dam constructed at a cost of about 240 million birr is due to go operational soon *(The Ethiopian Herald, Vol. LV No.138, February 21, 1999).*

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The Coffee & Tea Authority says preparations are underway to privatize the coffee Development Enterprise *(The Ethiopian Herald, Vol. LV No. 142, February 26, 1999).*

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Finance Minister Sufian Ahmed announced that the country's economy is in good shape with budget surplus reported over the last six months. The Minister told ENA that the Federal Government's annual revenue for this Ethiopian budget year is 8,650,000,000 birr. More than 4,099,000,000 birr has been collected over the last six months. The Minister said 3,897,000,000 birr was spent during the first half of this Ethiopian year *(The Ethiopian Herald, Vol. LV No.144, February 28, 1999).*

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Two hundred out of two hunderd fifty three Federal development projects scheduled for the current Ethiopian year have reportedly been launched and are in fact at various levels of progress *(The Ethiopian Herald Vol. LV No. 144, February 28, 1999).*

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The Ethiopian Roads Authority signed a contract for the construction of the Addis-Jimma road amounting to 406 million birr with (Spain-Greece) J & P Joint Venture Company, Dragados on March 18, 1999 *(The Ethiopian Herald, Vol. LV No. 160, March 19, 1999).*

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Ethiopia has become the 44th African Country to join the Society for worldwide Inter bank Financial Telecommunication (SWIFT). International Banks Communication Vice President with the Commercial Bank of Ethiopia said eight Ethiopian banks have become beneficiaries of SWIFT as of March 7, 1999 *(The Ethiopian Herald, Vol. LV No. 152, March 10, 1999).*

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The Commercial Bank of Ethiopia Marketing and General Planning Sector Vice President, Habte-Selassie Hagos told that the CBE task force set up six months ago has collected 900 million birr from debt defaulters over the last six months *(The Ethiopian Herald, Vol. LV No. 147, March 4, 1999).*

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The Ethiopian Quality and Standards Authority announced that it has prepared draft standards for some 228 foreign & local products *(The Ethiopian Herald, Vol. LV No. 147, March 4, 1999).*

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The construction of the Finchaa Sugar Factory undertaken at a cost of 1.8 billion birr has fully been completed, factory general manager disclosed *(The Ethiopian Herald, Vol. LV No. 170 March 31, 1999).*

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A policy deemed to alleviate the operational and maintenance problems that affect the activities of portable water development institutions in rural Ethiopia has been drafted, the Minister of Water Resources told a workshop on April 1,1999 *(The Ethiopian Herald, Vol. LV No. 172, April 2, 1999).*

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In the fiscal year 1997/98 the defense & security budget was approximately 1.1 billion birr (146 million dollars). This accounted for a mere 18 percent of the total yearly budget for that period. It is noteworthy to see that until the 1997/98 the military budget remained within about two percent of Ethiopia's gross national product (GDP) *(Addis Tribune, February 19, 1999).*

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The Federal Inland Revenue Authority (FIRA) has filed suit against 240 private companies and public enterprises that owe it over 449 million birr in tax. Top on the list of the private companies that the authority has taken to court are the Merkebegna Liquor Industry PLC, Nile Construction PLC, and Zula Construction PLC *(Addis Tribune, April 2, 1999).*

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The General Manager of the National Fuel Reserve Depot Administration said that construction of several fuel depots aimed at strengthening the country's fuel reserve capacity is well under way in the various states *(The Ethiopian Herald, Vol. LV No. 162, March 23,1999).*

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The Central Statistics Authority says low demand for locally manufactured goods has forced many indigenous industries to operate below capacity. The Deputy General Manager, Samyia Zekarias said, "... 49 percent of the country's large & medium scale factories have been forced to cut their out put as a result" *(The Ethiopian Herald, Vol. LV No. 162, March 23, 1999).*

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Several organizations and corporations in Ethiopia will be affected by the Y2K bug (the year 2000 computer problem) nine months from now. The deputy director of the Science & Technology Commission of Ethiopia, Ato Eshetu Alemu, revealed in a report he gave to the ENA said over 80 million birr is worth of replacement parts would be required to avoid the bug *(Addis Tribune, March 19, 1999).*

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The Ethiopian Agricultural Research Organization (EARO) has announced plan to establish a national gin bank to conserve the country's forest genetic resources *(The Ethiopian Herald, Vol. LV No. 140, February 24, 1999).*

II. Investment

ELNAL-the first button producers PLC imported machinery worth of 1.5 million birr and saved 202,000 birr, which could have been paid as an import tax *(The Ethiopian Herald, Vol. V No. 148, March 5, 1999).*

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Hundred twenty investors with a capital amount of 722 million birr have expressed their disappointment at the Government's failure to make good on its policies on private investment in the educational sector. The investors also mentioned that the rift between the investment bureau and the Ministry of Education has been an obstacle for the investors' efforts *(Addis Tribune, March 12, 1999).*

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The Dire Dawa Administration Investment Office says it has licensed 31 projects with an aggregate investment capital of more than 75 million birr over the past six months *(The Ethiopian Herald, Vol. LV No. 156, March 14, 1999).*

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Abyssinia Flight Service (AFS), the third privately owned charter air service with an overall capital of 13 million birr, become formally operational on April 1st, 1999 *(The Ethiopian Herald, Vol. LV No. 172, April 2, 1999).*

III. Agriculture

Close to 3 million farmers in various states have benefited from extension services during the 1990/91 E.C. (1998/99 G.C.) crop season, an official of the Ministry of Agriculture said on March 4, 1999 *(The Ethiopian Herald, Vol. LV No. 148, March 5, 1999).*

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The Amhara State Agriculture Bureau has announced a plan to carryout an extension program on 1,499,965 demonstration sites this Ethiopian year *(The Ethiopian Herald, Vol. LV No. 141, February 25, 1999).*

IV. External Assistance

The United Nations Development Program (UNDP) has allocated a sum of over 900 million birr for capacity building programs of development institutions to be here in the next 3 years *(The Ethiopian Herald, Vol. IV No.146, March 3,1999).*

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The Italian Government has pledged a sum of at least 240 million US dollar for the implementation of on-going and new development projects that are being carried out in the framework of the 3 years Ethic - Italian Development Cooperation country program *(The Ethiopian Herald, Vol. IV No.142, February 26,1999).*

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A grant agreement amounting to 2.2 million US dollar was signed yesterday between the governments of Ethiopia and Finland. According to a press release issued by the Ministry of Economic Development and Cooperation (MEDaC) the grant will be used to partially under tack phase two of the rural water supply and environmental program in the Amhara Regional State *(The Ethiopian Herald, Vol. LV No. 141, February 25, 1999).*

V. Public Revenue

The Ethiopian Roads Fund (ERF), has collected a sum of over 104.8 million birr from Fuel Tariff during the past six months, Fund General Manager announced *(The Ethiopian Herald, Vol. IV No.155, March 13,1999).*

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The Middle Awash Agricultural Development Enterprise said it has made 13 million birr gross profit supply ginned cotton, banana and cotton bean to local and foreign markets over the last eight months *(The Ethiopian Herald, Vol. IV No.154, March 12,1999).*

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The Ethiopian Authority for Quality and Standards said it has generated over 2.8 million birr income from the services it provided for a number of organizations in the last six months *(The Ethiopian Herald, Vol. IV No.153, March 11, 1999).*

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Finance and Customs Offices in five states have collected more than 141 million birr in revenue over the last six months *(The Ethiopian Herald, Vol. IV No.143, February 27,1999).*

****

Tourism commissioner Yesuf Abdulahi Shukkar presenting the last six months performance report of the commission to the House of Peoples' Representatives announced that the annual income the sector fetched has increased from less than 40 million birr in 1991 to over 240 million birr in 1998 *(The Ethiopian Herald, Vol. IV No.140, February 24,1999).*

VI. Trade

The Ambo Mineral Water Factory has announced plan to export its produce, within three months time, to Middle East as well as East and West countries *(The Ethiopian Herald, Vol. IV No.161, March 21,1999).*

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Over 90,000 quintal quality coffee was Supplied to the central auction from various coffee growing zones over the last six months *(The Ethiopian Herald, Vol. IV No.150, March 7,1999).*

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The Vice-Minister of Transport and Communication urges private forwarding agents to facilitate the speedy conveyance of goods from Djibouti port to the hinterlands *(The Ethiopian Herald, Vol. IV No.150, March 7,1999).*

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Exporters of Ethiopian oil seeds announced that the demand in the world market for Ethiopian oil seeds is steadily growing. The exporters said the price of Ethiopian oil seeds has grown to 900 US dollar per ton from only 600 US dollar last year *(The Ethiopian Herald, Vol. IV No.143, February 27,1999).*

ከፓርላማ ውሳኔዎች

ምክር ቤቱ በጥር 13 ቀን 1991 ባደረገው የዓመቱ 16ኛ መደበኛ ስብሰባ በቀረቡት የውሳኔ ሃሳቦች ማለትም የኢትዮጵያ ፊልም ኮርፖሬሽንን ለማፍረስ በወጣው ረቂቅ አዋጅ እና የአለም የሥራ ድርጅት ስምምነቶችን ለማፅደቅ በወጣው ረቂቅ አዋጅ ሪፖርትና የውሳኔ ሃሳብ ላይ ተነጋግሮ ሁለቱንም አፅድቋል:: ማፍረሱና ሂሣቡን የማጣራቱና በሌላም በኩል የሰው ኃይልና ንብረቱን በማከፋፈል ረገድ ኃላፊነቱ የማስታወቂያና ባህል ሚኒስቴር ይሆናል:: (ጥር 1991 ቅፅ 4 ቁ. 8)

የህዝብ ተወካዮች ምክር ቤት የካቲት 2 ቀን 1991 ባካሄደው 18ኛ መደበኛ ስብሰባ የተለያዩ የብድር ስምምነቶችን አፅድቋል:: እነዚህም በኢፌዴሪ እና በአፍሪካ ልማት ፈንድ መካከል ለተመሠረተ ጤና አገልግሎት ፕሮጀክት ማስፈፀሚያ፣ በኢፌዴሪና በአፍሪካ ልማት ፈንድ መካከል ለሦስተኛው የትምህርት ፕሮጀክት ማስፈፀሚያና በኢፌዴሪና በአፍሪካ ልማት ፈንድ መካከል ለብሄራዊ የከብት ሃብት ልማት ፕሮጀክት ማስፈፀሚያ የተደረገውን የብድር ስምምነት ለማፅደቅ የወጣ አዋጅን ያካትታሉ:: (የካቲት 1991 ቅፅ 4 ቁ. 10)

ኢንቨስትመንትን ለማስፋፋትና ዋስትና ለመስጠትም በየካቲት 9 ቀን 1991 ባካሄደው 19ኛ መደበኛ ስብሰባ ከማሌዥያ፣ ከህዝባዊ ቻይና ሪፐብሊክና ከኔዘርላንድስ መንግሥት ጋር ያደረጋቸው ስምምነቶች ለማፅደቅ ረቂቅ አዋጆችን አውጥቷል::

የኢትዮጵያ ፌዴራላዊ ዴሞክራሲያዊ ሪፐብሊክ የህዝብ ተወካዮች ምክር ቤት ከሚኒስትሮች ምክር ቤት በቀረበለት የ1991 በጀት ዓመት የተጨማሪ በጀት ጥያቄ ላይ የካቲት 2 ቀን 1991 ባካሄደው በዓመቱ 18ኛ መደበኛ ስብሰባው ላይ ተነጋግሯል::

በዕለቱ ከቀረበው የበጀት ጥያቄው መግለጫ መረዳት እንደተቻለው ጥያቄው በ1991 በጀት ዓመት በፌዴራል መንግሥትና በክልል መንግሥታት በትምህርት ክፍል ኢኮኖሚ ለተዘረጉት የልማት ፕሮግራሞች የሚውል እንዲሁም ለክልሎች ድጎማ የሚደለደል ነው::

ለተጠቀሰው የትምህርት ክፍለ ኤኮኖሚ የሚውለው ገንዘብ ከዓለም ባንክ በተገኘ ብድር መሆኑ ሲታወቅ፣ መጠኑም ብር 168.2 ሚሊዮን እንደሆነ በሰነዱ መግለጫ ተመልክቷል::

ሥራ ላይ ከማዋል ከታቀደው ከዚሁ አጠቃላይ የብድር ገንዘብ ውስጥ ብር 136.2 ሚሊዮን ለክልሎች ድጎማ፣ ብር 32.0 ሚሊዮን ደግሞ ለፌዴራል መንግሥት የከፍተኛ ትምህርት ፕሮግራም የሚውል መሆኑ ተገልጿል::

በሌላም በኩል ይኸው አጠቃላይ የበጀት ተጨማሪ ጥያቄ በወጪዎች ደረጃ ሲተነተን ለካፒታል ወጪዎች ብር 32 ሚሊዮን 41 ሺህ 800፣ ለክልሎች የሚሰጥ ድጎማ ደግሞ ብር 136 ሚሊዮን 165 ሺህ 800 መሆኑን መገንዘብ ተችሏል::

ምክር ቤቱ በቀረበው የተጨማሪ በጀት ረቂቅ አዋጅ ላይ ከተወያየ በኋላ በዝርዝር መርምሮ ከውሳኔ ሃሳብ ጋር ሪፖርት እንዲያደርግለት ለበጀት ጉዳይ ቋሚ ኮሚቴ መርቶታል::

አስተያየት በፓርላማው ውሳኔዎች ላይ

ሰሞኑን ከፓርላማ አካባቢ የተገኙ ኢኮኖሚ ነክ ውሳኔዎች እነዚህ ነበሩ:: በአመዛኙ ውሳኔዎቹ በብድር ስምምነቶች ላይ ያተኮሩ ነበሩ፣ ከፊልም ኮርፖሬሽን ውሳኔ በቀር::

በአጠቃላይ ሲታይ የተደረጉት ስምምነቶች የትኩረት አቅጣጫ መሠረታዊ በሆኑ ጉዳዮች ላይ ለምሣሌም ትምህርት፣ የከብት ሀብት ልማት ኢንቨስትመንት መሆኑ እሰየው የሚያሰኝ ነው:: የለጋሽ ሀገሮችና ድርጅቶችም ይሁን ሃገሪቷ ከምታደርገው የኢኮኖሚ ማሻሻያ ፕሮግራም ጋ በእጅጉ ስለሚያያዝ በኢኮኖሚ ማሻሻያው ረገድ ጥሩ ሥራ መሠራቱን ሊጠቁም ይችላል::

በአንፃሩ ግን መሠረታዊ የሆኑ ወጪዎች በለጋሽ አገሮች ጥረትና በአበዳሪዎች ድጋፍ ላይ ተመሥርተው እስከመቼ ድረስ ይቀጥላሉ የሚለው ጥያቄ መሠረታዊ ነው :: አዲሱ የታዳጊ አገሮች ብድር ቅነሳ ሃሳብ ተግባራዊ ሆኖ የአገሪቱን ብድር መሠረታዊ በሆነ መንገድ ካልለወጠው የብድር ጫና ዋንኛው ያገሪቱ መሠረታዊ ችግር እንደሚሆን እሙን ነው:: አሁን ያለብን ብድር (የቀድሞ ሶቭየት ህብረትን ሳይጨምር) ወደ 4 ቢሊዮን ዶላር ይደርሳል ተብሎ ነው የሚገመተው:: የሶቭየት ህብረቱም ብድር ወደዚያው ሳይደርስ አይቀርም:: እነዚህ አዳዲስ የብድር ስምምነቶች ይህንን የዕዳ ጫና እንደሚያባብሱት እሙን ነው::

ይህንን ሁኔታ ስናይ በየጊዜው የሚገኙት እርዳታዎችና ብድሮች የሚያስገኙትን ጥቅም ብቻ ሣይሆን የሚያስከትሉትንም የወደፊት ችግር ግንዛቤ ውስጥ በማስገባት ወደፊት በዚህ የፓርላማ ውሣኔ ላይ የተጠቀሱት ማህበራዊ ተቋማት በአገር ውስጥ ሀብት ፋይናንስ የሚደረጉበትን መንገድ መፈለግ የሚኖርብን ይመስለናል::

THE MAN THAT IS NO MORE

By
Abrar Suleiman
(In memory of the late Mekonnen Tadesse)

Clear was the sky indeed, in the morning of a day, sunny and bright,
Into blue on which my heart turned, with grief heavily clouded,
Thereupon my tears falling, like a summer rain, showering,
For I saw that man there
and then forever lying,
Unruly bewildered, about his coffin, I wandered, and cried and cried,
And stillness fell for a while, upon the little stream of my soul,
Blooming with the silent memory of the man that is no more.

Of what he lived and died, henceforth I wondered,
Who is he the dying and me the living?
Sure! This is the man! A little while I recalled,
It was but the other day I looked about and ignored,
By himself, all alone, when in vain, struggling,
A giant physique, out of balance, staggering,
His soft tongue, as if fallen asleep, murmuring,
His last steps of life gently descending,
To his grave at mid-forties untimely rushing.
Yes! I do remember! When his way he was making,
Just as he did while living,
In ways that are kind and gentle and quite,
With words carefully chosen and soft and modest.

What a dreadful ordeal to witness!
A scene so tragic, a sight so hideous,
To look upon that man's eyes,
Enfolded by the white wings of death.

Who was that man anyway?
And of what I cry?
In truth I cried not for him,
But for myself and others through him.
Of what I cried frankly if I tell,
Of shame and guilt here after I dwell.
Who is the man that is no more?
Enlightening as a teacher,
Even more so as a leader,
Easygoing and humble but clever.
For a profession he cherished, like a bee toiled hard,
A sincere oath since he made, and in keeping it,
His life as a homage, he traded, most of it, he spent,
Sowing the seeds,
Of noble deeds.

Full of tears that I,
Standstill and erect, cry,
Who really is he? Who am I?

Not only a scholar is no more,
For with him away to fade and wither, quite many a treasure,
Of blend of good breed and conduct and character,
Epitome of kindness, generosity beyond measure,
Deeply moved by the needy and the poor,
A heart melting ever more of the pain of too much tender.

In the bosom of a humane being, a bleeding heart dwelled,
Himself at the bottom, others on top of it.
In quest of nothing but others' pleasure, his spirit flamed,
Seasons of helping and giving, all along he lived and perished,
Effusively sharing much of the little he earned.

To befriend a bit older but too young for my father,
A nice friend and at once a caring father.

Quite many a good character I seldom found,
Deep into my heart ever so much as I deplored,
With myself I scaled and many others around,
Instead I found,
Only honest in the flesh, and yet a thief in spirit.

"Frail Creatures are we all,"
A bitter fact I know all too well,
Mourning of his loss, my heart crashes and wounds still,
His memories as yet to flourish in my mind and soul.