

Economic Policy Research and the Culture of Policy Dialogue in Ethiopia: EEA's 30 - Year Journey

1991 - 2023



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ECONOMIC POLICY RESEARCH AND
THE CULTURE OF POLICY DIALOGUE
IN ETHIOPIA: EEA's 30-YEAR JOURNEY
(1991-2023)

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PRAISE FOR THE BOOK

The idea of chronicling the EEA's journey intrigued me when I learned of the initiative. I questioned whether there was a precedent and who was undertaking this task. However, as I received updates and witnessed the progress, my curiosity turned to conviction. As the current President, I am assured that the EEA's 30-year odyssey is a tale worth telling, and this book is a testament to that journey.

Professor Tasew Woldehanna
President of the Ethiopian Economics Association

The book covered the major milestones in the Association's 30-years journey comprehensively. It showed the journey had a lot of ups and downs that required commitment and devotion from executive committee, EEA members, staff, stakeholders, and partners. It clearly lays down the major achievements, challenges, and opportunities exploited to the greatest possible advantages, and lessons thereof. The resilience of the founding members and the executive leaders exceeds your expectation. The book also takes you through EEA's funding partners who generously supported the Association to fulfill its ambitions.

For us today, the journey is not that difficult because of the hard work of the people who came before us. As Isaac Newton said "If I have seen further, it is by standing on the shoulders of the giants." The book fills you, as a member and a stakeholder, with hopes by laying down the pathways and opportunities. It also pinpointed 'calls for action' for the new generation members, staff, management, executive leaders, partners, and even the government. Especially as a member, the book makes you proud about the history of your Association. I encourage you to read it and understand your share to take the Association further forward in the decades to come.

Professor Mengistu Ketema
Chief Executive Officer of the EEA

The History of EEA provides a thorough and easy-to-read account of the Ethiopian Economics Association (EEA), an important economic organization in Ethiopia. The book was written very well, with great care and attention to detail, making it accessible to both experts and regular readers; tells the full story of the EEA - how it was started, how it evolved, and the crucial role it has played in shaping economic policies and discussions in the country. The authors did an excellent job of bringing to life the key people involved in the EEA, highlighting their ideas and contributions.

Dr. Atnafu Gebremeskel

**Chair of the Department of Economics, Addis Ababa University
Former Executive Committee Member of the EEA**

Friedrich Ebert Stiftung (FES) and the Ethiopian Economic Association (EEA) over the past three decades have shared a collaborative relationship centered on advancing policy dialogue on economic development in Ethiopia. FES, dedicated to promoting the values of social democracy by partnering with EEA, has always aimed at enhancing the association's ability to conduct in-depth economic analysis and foster informed policy debates. This collaboration helped to bridge gaps between theoretical research and practical policy implementation, and contributed to more effective and equitable economic strategies in Ethiopia.

The EEA, with its extensive network of economists and policy experts, played a crucial role in facilitating the exchange of ideas and expertise. Through joint research projects, seminars, and policy forums, EEA helped to contextualize global economic trends within the Ethiopian framework, ensuring that interventions are both relevant and impactful. The synergy between the FES's international perspective and the EEA's local insights supported the development of comprehensive economic policies that address Ethiopia's unique challenges and opportunities. This partnership underscored a shared commitment to fostering sustainable economic growth and democratic governance in the country. The book captured this dynamic partnership and is a useful reference for future generations of Ethiopian Economists and other professionals.

**Friedrich Ebert Stiftung (FES)
Addis Ababa, Ethiopia**

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FOREWORD

In 1991, the Ethiopian Economics Association (EEA) was founded amidst Ethiopia's shift from a 17-year command economy that had suppressed private sector investment, debilitated the public sector, and neglected macroeconomic management, leaving no space for civil society to flourish. The founders capitalized on the nascent economic and political reforms, laying the groundwork for what is now a thriving Association.

The EEA promptly addressed Ethiopia's pressing economic issues, especially in macroeconomics. The annual reports published soon after its inception scrutinized the macro economy and offered robust policy recommendations. These pioneering studies secured EEA's credibility among policymakers and economic advisors, many of whom were associated with the EEA as members and allies.

Why This Book? The idea of chronicling the EEA's journey intrigued me when I learned of the initiative. I questioned whether there was a precedent and who was undertaking this task. However, as I received updates and witnessed the progress, my curiosity turned to conviction. As the current President, I am assured that the EEA's 30-year odyssey is a tale worth telling, and this book is a testament to that journey. It is an honor to introduce this narrative.

The Labor of Love: Crafting a book is a formidable endeavor. I extend my deepest gratitude to the authors and editors who invested their time, expertise, energy, and social capital to present this narrative to the EEA. This collective comprises individuals who have contributed to the EEA in various roles since its inception. The

project has bridged generations of leadership and fostered a community of idea-sharing, a lifeline for the EEA's continuity.

The Story Unfolded: As the inaugural book of its kind, it eloquently documents the EEA's three-decade-long journey. The chapters on organisational and leadership dynamics encapsulate the founders' vision and the fervor with which successive leaders have steered the Association. Vision 2020, a pivotal milestone, rightfully claims its place in EEA's history, symbolizing our national prominence. The EEA's early recognition of the need for impactful partnerships is highlighted, acknowledging the diverse collaborators integral to our narrative.

Selective Themes: The themes chosen for this book reflect the authors' expertise and interests, a logical approach for a first edition. While I would have welcomed a broader spectrum of topics, it's natural for readers to yearn for more. I encourage members to seize the moment, as the authors did, to contribute further to the EEA's legacy, ensuring our story resonates for generations.

**Professor Tassew Woldehanna,
President of the Ethiopian Economics Association**

PREFACE

In the last 30 years, the Ethiopian Economics Association (EEA) has been publishing books, annual reports, and policy briefs informing policy makers and the general public. This book is different. It is about the Association itself. The book idea was put to the General Assembly in February 2021 with a pledge that it will be written by members for members and for the Association.

This was followed by a series of letters to founding and longstanding members to solicit ideas for the book and identify authors and editors. To put it simply, the support was overwhelming. It felt as if they were all thinking about EEA book. The Association is ready to tell its story!

A backup team was established within EEA to assemble references; support authors in organising internal discussions, manage members survey, and communicate with stakeholders. An editorial team consisting of six senior members was formed to produce shortlist of topics and allocate topics to authors based on their interest. Following this participatory process, the drafting started in March 2023. The book presented to you consists of eight chapters written by eight EEA members who served the association in various capacities from its inception to the present day.

This is an experiment! A successful experiment that mobilised volunteer members to commit to writing a book, “a formidable endeavor”, as expressed by Prof. Tasew Woldehanna, President of EEA, in his foreword to the book. These authors and editors are the tip of the iceberg of the human capital that is at the disposable of EEA.

DEDICATIONS

This book is dedicated to:

All EEA members whose love and support are the driving force
behind its achievements.

Individuals who served the Association in various capacities over
the last 30 years (elected, employed, or volunteered).

Our partners who supported EEA's contribution to Economic
Policy Research and the Culture of Policy Dialogue.

Last but not least, on this page, we would like to honour those
who passed away. They provided leadership, inspired Vision 2020
forum, and served the association starting from its humble
beginning at AAU.

Dr. Eshetu Chole
Dr. Mulat Demeke
Dr. Wolday Amha
Dr. Atsede Assefa
Mr. Mekonnen Tadesse
Mr. Neway Gebreab
Prof. Mesfin Woldemariam
Dr. Yonas Admassu
Ms. Aynalem Tesfaye Abteu

ABOUT THE AUTHORS

DR. TADELE FEREDÉ AGAJE

Dr. Tadele Ferede holds a PhD in Economics from the University of Antwerp in Belgium. He is an Associate Professor of Economics at Addis Ababa University; has over 20 years of experience in teaching, research, policy advisory, consultancy, and leadership in Ethiopia and beyond. Currently, Tadele is the Secretary of the Independent Council of Economic Advisors and a member of the Job Creation Advisory Council.

Tadele served EEA as the Editor-in-Chief of the Ethiopian Journal of Economics; and as the President of the Association. He also served Addis Ababa University in various capacities including but not limited to, member of the Behavioural Research Insights Committee, Chair of the Department of Economics; Associate Dean for Graduate Programs, and Deputy Centre Director and Senior research fellow at the Environmental Economics Policy Forum for Ethiopia.

Tadele's research interests focus on labour market, financial inclusion, intra- and intersectoral linkages, just transition, structural transformation-productive capacity nexus, and economywide analysis of shocks.

DR. RAHEL BELETE BALKEW

Dr. Rahel is a multi-disciplinary professional who holds a PhD in Business Administration and Master's degree in Organisational Leadership. Rahel is well versed in advertising and public relations.

Rahel is a co-founder of Kilimanjaro Consulting and Innovation Hub (KIH)¹ and is currently Country Director of the Clinton Health Access Initiative (CHAI) Ethiopia Office. She is a self-motivated professional with a proven track record of success in project cycle management, social marketing, networking and advocacy, fund raising, management and leadership.

Dr. Rahel is a member of EEA; life-long member of the Ethiopian Public Health Association (EPHA) and active member of different National Technical Working Groups spread headed by the Federal Ministry of Health (FMOH). She co-authors and publishes peer-reviewed articles in international journals of Public Health.

ATO FANTAHUN BELEW

Ato Fantahun Belew is a founder member of EEA and served as the Vice-president (2018-2021). He was the resource person for EEA's quarterly macroeconomic publications and contributed articles related to Ethiopian Public Finance in EEA publications. Fantahun delivered presentations panel discussion organised by the Association and volunteered to translate public policy papers from English to Amharic.

¹ KIH is established in 2010 with a broad social entrepreneurial vision of capacity building of the youths, empowering with skills to remove insecurity and instill confidence. Envision a nation free from unemployment and ensure fruitful engagement in the economic development of the country by attaining innovation, entrepreneurship and digital literacy.

ATO WORKNEH DENEKEW

Ato Workneh Denekew is an experienced Organisational Development and Management Consultant specializing in strategic management, organisational change processes design and facilitation, leadership and team development, and planning, monitoring and evaluation of development programs. He holds an MBA in Human Resources Management, a Diploma in Organisation Development Consulting, and a BA in Economics. With over 25 years of consulting experience, Workneh has made notable contributions as a consultant, trainer and advisor in enhancing the effectiveness and impact of various bilateral and multilateral development programs, as well as public sector and civil society organisations in Ethiopia and the African region.

Workneh is the founding member of Association and served as member of the Executive Committee (2006-2012). His contributions to EEA's development are multi-faceted including but not limited to chairing the by-laws amendment committee; opening regional chapters, fundraising for the multi-purpose building; facilitating and moderating national and international conferences and workshops, training EEA members on results-based project monitoring and evaluation; and the development of EEA's strategic plans. Workneh also played a pivotal role in fostering positive relationships between EEA, government entities, donors, and civil society.

DR. BERHANU DENU

Dr. Berhanu Denu is an economist by profession and has been teaching economics at AAU for almost about 35 years. He is also a consultant on development, social protection, public policy and financial matters. Dr. Berhanu is currently serving EEA as member of the Executive Committee.

ATO DEMIREW GETACHEW

Ato Demirew Getachew has BA in Economics and MSc in Policy Analysis. In addition to being one of the earliest members of EEA, Demirew served as Head of the Secretariat (2006 to April 2020). His role included but not limited to, advancing evidence-based policy research; facilitating policy dialogue and capacity-building activities; member of the Editorial Board and co-editor of the Ethiopian Journal of Economics; and edited proceedings of the regional and international conferences.

Demirew played a pivotal role in shaping the EEA's long-term vision. His significant contributions extended to the development and implementation of Strategic Plans and the creation of working manuals and guidelines. Presently, Demirew is Research Projects Coordinator within the Research and Analysis Division.

DR. ADDIS KASSAHUN MULAT

Dr. Addis is co-founder of Kilimanjaro Consulting and Innovation Hub (KIH). He has about thirty years of leadership, managerial and technical programs experiences in diverse areas with Multilateral, Bilateral, International NGOs, private sector development and government programs in Ethiopia, Eastern & Southern African countries. Formerly, he served the Government of Ethiopia under Global Fund to fight HIV/AIDS, Tuberculosis and Malaria (GFATM) programs; he was the National Program Officer at UNAIDS coordinating the HIV and AIDS Donors' Forum and assisting the National Partnership Form of HIV/AIDS.

At the Eastern Africa regional level, he served the World Bank financed Africa Regional Capacity Building Networks for HIV Prevention, Care and Treatment (ARCAN) project covering Ethiopia, Kenya and Tanzania including Zanzibar as Deputy Coordinator and M&E Specialist. He moved back to Ethiopia to join USAID financed Community PMTCT/MNCH project as Deputy Country Director. Presently, he is the Co-Founder - Managing Director and Senior Management Consultant for Kilimanjaro Trading and Consulting Plc (Kilimanjaro Consulting and Innovation Hub).

Addis is an active member of Ethiopian Economics Association (EEA), life member of the Ethiopian Public Health Association (EPHA), Technical Advisory Board of Pan-African Chamber of Commerce and Industry, and Addis Ababa Chamber of Commerce and Sector Associations Business & Investment Advocacy Committee member.

DR. AMDISSA TESHOME

Dr. Amdissa is an Independent Consultant and Social Science Researcher. He has been providing consultancy service to a wide range of clients for over 25 years. Amdissa has served EEA as Executive Committee member (2011-2016) and also as President (2021-2023).

ACKNOWLEDGEMENTS

The authors would like to thank the editorial team for guiding the entire book project as well as providing constructive comments on draft chapters. The Executive Committee of the Association supported the book idea and encouraged the authors to the finish line. We are grateful to the anonymous reviewers and all friends of EEA who contributed praise for the book.

EEA members who participated in various surveys and individual interviews deserve special mention. Their views were the foundation for the book.

Finally, we thank the EEA publishing team, Rahel Yilma in particular, for the design, typesetting and everything that it takes to turn a draft document into a finished book.

EDITORIAL TEAM

Dr. Alemayehu Seyoum Tefesse

Dr. Tewodros Makonnen

Dr. Getachew Diriba

Dr. Gezahegn Ayele

Dr. Tadele Ferede

Dr. Adugna Lemi

ACRONYMS AND ABBREVIATIONS

AAU	Addis Ababa University
ACBF	African Capacity Building Foundation
AEZ	Agro-Economical Zone
AIDS	Acquired Immunodeficiency Syndrome
ART	Antiretroviral Treatment
BMGF	Bill & Melinda Gates Foundation
CCRDA	Consortium of Christian Relief and Development Association
CEO	Chief Executive Officer
COVID	Coronavirus Disease
CR	Climate Resilient
CRGE	Climate Resilient Green Economy
CSO	Civil Society Organisation
DCI	Development Cooperation of Ireland
DFID	Department for International Development
E.C	Ethiopian Calendar
EC	Executive Committee
EEA	Ethiopian Economics Association
EEPCO	Ethiopian Electric and Power Corporation
EEPRI	Ethiopian Economic Policy Research Institute
ENSED	Ethiopian Network of Sustainable Energy Development
EPIICA	Ethiopian Project on Interlinking Insurance with Credit in Agriculture
EPRDF	Ethiopian People's Revolutionary Democratic Party
ESSP	Ethiopia Strategy Support Program
EU	European Union
FAO	Food and Agriculture Organisation
FCDO	Foreign, Commonwealth & Development Office

FDRE	Federal Democratic Republic of Ethiopia
FES	Friedrich Ebert Stiftung
FGD	Focus Group Discussion
FY	Fiscal Year
GA	General Assembly
GDP	Gross Domestic Product
GES	Green Economy Strategy
GHG	Green House Gas
GIS	Geographic Information System
GLI	Green Legacy Initiative
GPM	Global Policy Model
GTP	Growth and Transformation Plan
HIV	Human Immunodeficiency Virus
HPTN	HIV Prevention Trials Network
ICT	Information Communication Technology
IDRC	International Development Research Centre
IFPRI	International Food Policy Research Institute
IMF	International Monetary Fund
INC	Initial National Communication
IPCC	Intergovernmental Panel on Climate Change
IT	Information Technology
KII	Key Informant Interview
LT-LEDS	Long Term - Low Emissions Development Strategy
MDG	Millennium Development Goals
MOFED	Ministry of Finance and Economic Development
MoU	Memorandum of Understanding
NAP	National Adaptation Plan
NDC	Nationally Determined Contribution
NGO	Non-governmental Organisation

ODA	Official Development Assistance
OSIEA	Open Societies Initiative for East Africa
PANE	Poverty Action Network of Ethiopia
PCDP	Pastoral Community Development Program
PRSP	Poverty Reduction Strategy Paper
SDG	Sustainable Development Goals
SDP	Social Democratic Party
SDPRP	Sustainable Development and Poverty Reduction Strategy
SIDA	Swedish International Development Cooperation Agency
SNC	Second National Communication
SNNPR	Southern Nations Nationalities and Peoples Region
SWOT	Strength, Weakness, Opportunity, and Threat
TYDP	Ten Years Development Plan
UN	United Nations
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNFCCC	United Nations Framework Convention on Climate Change
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Program
WHO	World Health Organisation
WTP	Willingness To Pay

INTRODUCTION

The book you are about to read is a result of a collaborative effort where many minds combined to create a single work. The authors were united by a strong belief in evidence-based research and policy dialogue. This belief is enshrined from one generation to the next during the last 30 years – an intergenerational learning and maturing!

The authors unanimously agreed that the data sources for the book should be primarily EEA publications, its members and staff. As a historical book, EEA archives were extensively used. Members were given the opportunity to share their views through one-on-one interviews and electronic surveys. Focus group discussion was held with EEA staff to analyze the strength, weaknesses, opportunities and challenges facing the association.

For the thematic areas, each author reviewed research conducted by EEA itself and by its members. It was mandatory to have a major section on EEA's contribution to the theme under discussion. It is a book written by members, for members and for the association.

The book is divided into three parts. Part I consists of three chapters. Chapter 1 is a foundation for the entire book. Here the works of founding members and their leadership skills to take EEA from its formation to maturity are celebrated and lessons drawn for future leaders.

Chapter 2 analyzes and synthesizes the highly regarded Vision 2020. The fact that many of the chapters in the book refer to Vision 2020 justifies its rightful place in EEA's history. Chapter 3 is about

networking and partnership. The key principles of networking and partnership are presented and the types of partners and areas of partnership during the 30 years systematically analyzed and documented.

Part II consists of four chapters based on four research themes to which EEA has made variable contributions. These are poverty and poverty reduction (Chapter 4); the economics of pandemics (Chapter 5); the land question (Chapter 6); and climate change (Chapter 7).

The chapter on poverty benefited from EEA's early contributions to the poverty reduction strategy papers in a number of ways. First, poverty and poverty reduction were one of the topics addressed by Vision 2020 speakers. Second, poverty was the topic for paper presentations at regional and international conferences. Third, EEA provided training on poverty and how to facilitate the PRSP process.

The authors of Chapter 5 (pandemics) identified gaps in EEA's contribution to the HIV/AIDS research but found that it has made strong contributions to the study of the economic impact of COVID-19. Although both pandemics are no longer public health emergencies, EEA should continue to analyze the long-term economic impact and inform macroeconomic policy.

EEA's research on the land question in early 2000 sparked a wide-ranging debate among scholars, policy makers, parliamentarians, and civil society organisations. In Chapter 6 we learn that EEA has

pursued this agenda to this day and made direct contributions to the most recent land reform.

The chapter on climate change (Chapter 7) is as comprehensive as its predecessors in capturing and synthesizing EEA's contributions. The author informs the reader that EEA tackled climate change issues from various angles including but not limited to conducted research, organised public dialogue and lectures, published informative papers and articles in the Ethiopian Journal of Economics, Economic Focus, and Policy Briefs.

The final chapter is "Call to Action". It synthesizes the recommendations of the preceding chapters and puts them into actionable format to make it easy for the association to act on them immediately!



PART I ABOUT EEA

CHAPTER 1

ORGANISATIONAL CULTURE, LEADERSHIP AND MEMBERSHIP (1991-2023)

WORKNEH DENEKEW AND DEMIREW GETACHEW

1.1 Introduction

The Ethiopian Economics Association (EEA) is a professional association with a membership-based structure that is committed to advancing the field of economics in Ethiopia. It serves as a platform for members, economists, researchers, policymakers, and other relevant stockholders to come together, exchange ideas, and contribute to the economic development of Ethiopia. Since its establishment, EEA has had a remarkable organisational journey.

Documenting the organisational journey of the association provides historical accounts of its evolution and development, creating a better understanding of its roots, current status and future orientation. Furthermore, by looking back to the history of the association and reflecting on its 30-year journey, valuable insights and lessons can be drawn, and shared with members and the wider public, emphasizing areas that could be improved. The chapter provides a summary of EEA's key milestones and developments since it was founded.

1.2 Organisational culture and leadership at EEA

1.2.1 EEA's organisational trajectory: key milestones

We understand organisational culture as the embodiment of shared assumptions, beliefs, and values that have evolved and been embraced by EEA members and leaders throughout the association's thirty-year journey. It covers the shared understanding of the diverse pathways the association has traversed, the most notable achievements and milestones it has reached, the challenges it has encountered and the valuable lessons it has learned to propel itself forward as a resilient and adoptive association. This section narrates the organisational journey of the EEA, focusing on three broad stages of the association's development i.e. formation and early development, growth and maturity, and evolution and adaptation. These stages, though distinct, shall be taken as complementary, interconnected and non-linear, capturing the key turning points in the association's 30-year journey.

1.2.1.1 Formation and Early Development

This first stage in EEA's development covers key milestones and developments in the association's history, extending from its inauguration in 1992 to the establishment of the Ethiopian Economic Policy Research Institute (EEPRI) in 2000.

EEA was founded on the 25th of December 1991 as a nonprofit and non-government professional association with the primary objectives of²:

² EEA's By-laws, November 1991

- a) Contributing to economic policy formulation capability and broadly to the economic advancement of Ethiopia;
- b) Promoting economic research and disseminating the findings of such research in Ethiopia;
- c) Promoting the study of economics in the country's educational institutions;
- d) Providing a platform for the discussion of economic issues, and;
- e) Promoting the professional interests of its members.

Founded by a group of economists and professionals primarily affiliated with the Economics Department of Addis Ababa University (AAU) the association comprised faculty members, professionals working in various government ministries, private sector companies, international and local NGOs as well as student members.

One of the defining features of EEA's organisational journey, particularly at this formative and early stage of its development, was the fact that it was anchored within the Economics Department of Addis Ababa University, with the department head assuming the role of a standing secretary for the Executive Committee of the association. Such an arrangement enabled EEA to kick-start its operations by utilizing the department's resources (i.e., stationery, office space, furniture, etc.), which were generously offered by the AAU. This collaborative arrangement played a crucial role in facilitating the initial operations and early development of EEA and shaped its future orientation as well when it branched out to regional EEA chapters at the latter stage of its development. In addition, its affiliation with the university and the

active involvement of the teaching staff in running EEA seem to have helped the association get a good footing among the academic community and policy-making circles in the country.

The first generations of EEA's leaders were, by and large, renowned AAU faculty members, researchers, and academics. They were led by the association's first president, Dr. Eshetu Chole, who was a prominent economist and thought leader himself. In addition, EEA's founders were driven by a strong vision to advance the study of economics in the country, not merely for its own sake, but more importantly, as a means to support sound economic policy-making and practice for the transformation of the Ethiopian economy.

This transformative vision of EEA's founders is best exemplified by the words of Dr. Eshetu during his inaugural address in August 1992, where he articulated his vision for EEA as follows:

"By the time EEA celebrates its twentieth anniversary, it will have expanded its membership substantially, established a reputation as a respectable repository of professional knowledge, accumulated a distinguished record of research and publications, further advanced the cause of public education in economics, earned the respect of the public, and contributed in several tangible ways to the economic advancement of Ethiopia³."

³ Ethiopian Economics Association, 'the Inaugural Ceremony', Special Issue, Newsletter, August 1992, Addis Ababa, Ethiopia



Picture 1: Dr. Eshetu Chole Delivering his official inaugural address

This vision is a milestone that enshrined shared beliefs and values embraced by EEA members and leaders throughout the association's thirty-year journey. The forthcoming sections of this chapter will delve into the exploration of how much progress has been made in realizing this compelling vision over the past three decades.

During its formative years, EEA relied primarily on the expertise and dedication of its high-profile leaders and members from the Economics Department of Addis Ababa University. These individuals invested their time and energy selflessly to establish the association, increase its membership, and get the association

high standing and recognition among the government, the private sector, and the international development community.

EEA's leadership of the time achieved these results by organising various roundtable discussions, workshops, and annual conferences that deliberated on and addressed the pertinent economic policy issues of the day. Furthermore, EEA began publishing the Ethiopian Journal of Economics (a biannual publication devoted to the advancement of economics as a scientific discipline in Ethiopia), proceedings of conferences and workshops, and a newsletter.

Organising an annual national conference on the Ethiopian economy has been one of the traditions of the EEA since its foundation. Over the years, this has been a platform for the exchange of ideas, sharing of research results, and enhancing collaborative engagement between policymakers, the private sector, development partners, and the research community. A total of eleven such annual conferences on the Ethiopian economy were held under different themes. The themes deliberated upon during these eleven Annual Conferences and twenty-seven Round Table Discussions and their corresponding publications firmly established the Association as the only think tank to shoulder this responsibility.⁴

The participants were from the government, the academia, the private sector, the non-government organisations (NGOs), and the

⁴ Ethiopian Economics Association, 'EEA Journey 1991-2016', 2017, Addis Ababa, Ethiopia

international development community making these public dialogue platforms, arguably, the building blocks of the association's formation and early development. The commitment, vision, and open-minded approach of EEA's leadership in directly addressing the country's development challenges with renewed energy, charisma, and a culture of constructive and informed debates with policymakers proved to be a significant attraction for the younger generation of economists to join EEA in large numbers and actively participate in its public discourse platforms.

This formative phase set the stage for future generations of EEA leaders and members to remain dedicated and unwavering in their support for the association throughout its history of successes and challenges. Importantly, it served as an eye-opener for student members of EEA at the time, who went on to become accomplished economists and renowned researchers after many years of hard work⁵. The EEA provided them with their first opportunity to connect the theories they learned in the classroom with practical, real-world economic issues that enhanced their understanding and appreciation of what it means to be an economist.⁶ For some, the experience of joining the ranks of their teachers and respected figures in the EEA's general assembly meetings as equals, was a thrilling and fulfilling process in itself⁷.

⁵ Klls with student founding members of EEA

⁶ Ibid,

⁷ Ibid,

However, this period was not without challenges. One of the challenges was induced by the very rapid expansion, growth and popularity of EEA (victim of its own success); the need for a more independent and spacious setup to run the now-expanded activities of the association. This necessitated a dedicated office space separate from the university to accommodate its expanding membership and house its activities.

Another challenge was that the depth of the work undertaken by the EEA could no longer be effectively managed solely by the voluntary executive committee members, who also had other professional and personal commitments. This issue was discussed and deliberated upon during the 10th general assembly of the EEA, which approved the decision to establish its secretariat and a new research and training arm called Ethiopian Economic Policy Research Institute (EEPRI)⁸.

1.2.1.2 Growth and Maturity

The second stage of EEA's developmental trajectory over the last 30 years has been the growth and maturity stage of the association. This stage encompasses roughly the second decade after its foundation, specifically, the years between 2000 and 2012. During this period, the association achieved notable growth in membership, gained due recognition and popularity for its quality research and publications, and further strengthened its

⁸ EEA Annual Report, 2000–2002

dialogue and knowledge sharing platforms that at this stage engaged key government, private sector, civil society and international development partners. The five milestones of this stage are:

- a) The formation of the Ethiopian Economic Policy Research Institute (EEPRI), which was set up as a research and training arm of the EEA,
- b) The launching of International Conferences on the Ethiopian Economy,
- c) Vision 2020 forums,
- d) The construction of EEA's multipurpose building, and;
- e) The establishment of EEA's regional chapters.

Milestone 1: The Ethiopia Economic Policy Research Institute (EEPRI) Established

EEA recognized the importance of developing a dedicated research arm focused on economic policy research, dialogue and publication. For this purpose, EEA established the Ethiopian Economic Policy Research Institute (EEPRI) in 2000 to conduct independent and evidence-based research and provide advisory services to its stakeholders.

The policy research institute has enabled EEA to reach out to various stakeholders that demanded its research publications and study reports for their own policy and decision-making processes. The policy papers, particularly the continued report on the

Ethiopian economy, the Ethiopian Journal of Economics and the monthly economic focus magazine, were distributed widely in government circles, civil society, and the private sector (chambers of commerce in particular) and among EEA's wider membership⁹.

The establishment of EEPRI as EEA's research and training arm allowed the association to delve deeper into economic issues, contribute to public discourse, and influence policy making processes. During this phase, the EEA gained significant recognition through its research and policy dialogue forums, exemplified by its ground-breaking research on 'Land Tenure and Agricultural Development in Ethiopia'.¹⁰ Among the notable events and tributes from external sources showcasing the recognition accorded to the EEA in this particular phase include:

- A public lecture delivered by **Prof. Joseph Stiglitz**, a prominent economist and Nobel laureate, on the “Developmental State and Globalization”, (September 17, 2007), which was jointly organised by EEA and the Ethiopian Development Research Institute (EDRI) and took place at the UNECA conference hall.

⁹ One of the benefits EEA members enjoy here, by virtue of its by-laws, is getting these research publications at only half their selling price, with a view to supporting their capacity development as economists

¹⁰ Ethiopian Economics Association, “Land Tenure and Agricultural Development in Ethiopia (Published Research Report both in Amharic and English)”, Addis Ababa, Ethiopian, October 2002. EEA's engagement in the land question is documented in Chapter xxx of this book.

- A speech by the late Prime Minister of the Federal Democratic Republic of Ethiopia, **H.E. Ato Meles Zenawi**, delivered at a public lecture organised by EEA on the ***'Renaissance of Africa in the New Ethiopian Millennium'***, held at the ECA conference hall (February 9, 2008).
- The 1st African Millennium International Trade Investment Fair (February 5 to 14, 2008), organised by EEA was officially inaugurated by the late **President of FDRE, H.E. Ato Girma W/Georgis**. The objective of the fair was aimed to strengthen cultural, trade, and investment relationships among African countries and the rest of the world.
- EEA/EEPRI has been recognized by policymakers at the federal and regional levels as a key, credible, and relevant policy research institute within Ethiopia and beyond, whose research outputs were used as valuable sources of input for policy-making and whose staff benefited from the training services offered by EEA/EEPRI ¹¹.
- The Canadian International Development Research Centre (IDRC) **Think-Tank Initiative Policy Community Survey** showed that in terms of institutional capacity, output delivery and usefulness of the outputs, EEA/EEPRI performed well

¹¹ Mid-Term Review of the Ethiopian Economics Association/Ethiopian Economic Policy Research Institute (EEA/EEPRI): Prof. David O Ajakaiye, African Centre for Shared Development Capacity Building, 35, Arigidi Street, Bodija, Ibadan, Nigeria, ajakaiye_olu@yahoo.com, March 2012

above the average of 24 think-tanks in 11 African countries¹². A closer look at the evaluation results made by the think-tank initiative reveals that EEA/EEPRI has performed fairly well in transmitting its policy messages based on its research results, as evidenced by its high ratings in institutional indicators such as *informed critique of public policy, partnership with other policy actors, quality of researchers, and research dissemination*. On the other hand, it is intriguing to note that in one crucial indicator, namely *engagement with policy makers*, EEA/EEPRI received a below-par rating (i.e. Scored 33 while the average score stood at 39). This may allude to the deficit in the engagement culture between think tanks and governments in a restrictive policy regime, where the recognition and incorporation of independent evidence-based research results into the policy-making process is by and large a challenging and costly enterprise. The result of the survey is presented in Table 1 below.

- Inspirational letter by the ACBF Executive Secretary, **Dr. Frannie Leautier**, that requested the success story of EEA/EEPRI to be presented as a showcase during ACBF's 20th-anniversary celebrations held in Rwanda Kigali (February, 2011)¹³.

¹² Annual Performance Report (2009/10) of the Ethiopian Economics Association, Addis Ababa, August 2010.

¹³ Annual performance report (2009/10) of the Ethiopian Economics Association, Addis Ababa, August 2010.

Table 1: Result of Policy Community Survey - Institutional Indicators

S/N	Institutional Indicators	% of Respondents Selecting Very Good and Excellent		
		11 Country Average*	East Africa**	EEA (n=36)***
1	Clear communication	40	40	53
2	Engagement with policy makers	39	40	33
3	Partnership with other policy actors	34	33	39
4	Focus on high priority issues	45	45	53
5	Informed critique of public policy	40	39	61
6	Knowledge of policy making process	47	46	47
7	Quality of researchers	53	47	55
8	Regional knowledge	42	41	39
9	Research dissemination	38	37	50
10	Transparency	39	35	36
11	Value of in-person events	35	29	31

Source: EEA Annual Performance Report (2009/2010)

EEA/EEPRI had exemplary researchers in diverse fields including but not limited to, macroeconomy, poverty, agriculture, industry, and trade. In the limited space we have in this book, it is not possible to profile and acknowledge all of them for their contribution to EEA's success. However, the authors feel it is important to acknowledge **Dr. Assefa Admassie**, who served as

the principal investigator, leader, fund raiser and advocator for 15 years. A short appreciation follows.

DR. ASSEFA ADMASSIE: VISIONARY AND RESOLUTE

As we celebrate EEA's 30 years of research and policy dialogue, it is with deep gratitude and respect that we acknowledge the immense contributions of Dr. Assefa Admassie, the former Director of EEA's Economic Policy Research Institute for 15 Years (2004-2019) for his vision and resolute strategic leadership that elevated EEPRI to new heights.

Under the close guidance and leadership of successive EEA Executive Committees, Dr. Assefa guided EEA-EEPRI research staff to conduct first-rate, evidence-based research, led the organization and delivery of numerous international and national conferences on the Ethiopian economy, managed the construction of EEA's multi-purpose building to its successful completion, tirelessly fundraised securing resources to run EEA's research and consulting projects and played a leading role in fostering collaborations and partnership with EEAs international development partners, civil society , private sector and government stakeholders, among others . During EEA's turbulent times, Dr. Assefa stood as a model of resilience, guiding EEA-EEPRI staff through the existential threat posed by stringent CSO laws of the day.

Today, as we express our heartfelt appreciation to Dr. Assefa for his massive contributions to EEA's growth and development as a vibrant policy research think-tank, we celebrate not just his accomplishments, but also the profound impact he has had on countless individual EEA members and generations of researchers and policymakers to dream about and strive for a more equitable and prosperous Ethiopia.

WE THANK YOU!

Milestone 2: International Conferences on the Ethiopian Economy Launched

Following recognition by the leadership of EEA that the conference on the Ethiopian economy had evolved from being solely a domestic event to an international phenomenon¹⁴, EEA organised its first International Conference on the Ethiopian Economy in January 2003. Ten such international conferences on the Ethiopian economy were held between January 2003 and July 2012. The conferences were organised in three main components i.e. conference lectures, plenary sessions and parallel sessions. Some of the parallel sessions were organised by collaborating organisations of non-economists such as the Ethiopian Bar Association, Forum for Social Studies (FSS), Department of Political Science and International Relations (AAU), and Department of Sociology (AAU)¹⁵.

A total of 824 papers were presented in these annual international conferences which were attended by a total of 3,693 participants¹⁶. These conferences have made significant contributions to advancing EEA's mission and objectives, particularly, in terms of:

¹⁴ Message from EEA's president, Dr. Befekadu Degefe, on EEA's Annual Report 2000-2002.

¹⁵ EEA Annual activity report 2003-2004

¹⁶ EEA Annual activity reports, 2003-2012

- a) Broadening EEA's perspective to encompass a wide range of economic issues, global trends, and the challenges and opportunities influencing the Ethiopian economy.
- b) Serving as prestigious gatherings that attracted policy makers, researchers, and economists from various countries, thereby bolstering EEA's reputation and solidifying its status as a national think tank and thought leader in the field of Economics both within the country and the African continent.
- c) Enhancing EEA's policy relevance by incorporating global perspectives and experiences from international researchers and economic policy think tanks, fostering a more realistic and pragmatic understanding of economic policy research and practice.
- d) Providing Ethiopian economists and researchers with a platform to present their work and learn from experts from other countries in the field, thereby contributing to the development of local expertise and potentially impacting the country's development positively.
- e) Providing a platform for prominent international institutions such as IFPRI, Centre for African Studies at Oxford University, UNDP, World Bank, UNECA etc., to present their work thereby contributing to the development of the country

Furthermore, the platforms created by EEA for the presentation of multi-disciplinary papers at these conferences have been instrumental in fostering a contextual understanding of the Ethiopian economy within a broader framework of societal,

political, and historical contexts. It has also encouraged interdisciplinary collaboration among researchers from various fields, facilitating the exchange and sharing of ideas, analytical tools, and methodologies, which is often a challenging task to do among professional societies.

Milestone 3: Vision 2020 Ethiopia Launched

Vision 2020 Ethiopia is one of the most important and popular policy discussion forums organised by the association. The forum was held every month and attended by EEA members, government dignitaries, members of political parties, business leaders, NGO staff and Ethiopians in the Diaspora¹⁷. Vision 2020 discussions were published in the Economic Focus, the monthly bulletin of the EEA¹⁸. Between June 2003 and September 2010, a total of 41 Vision 2020 forums were held.¹⁹

This popular event, featuring presentations by prominent scholars and practitioners from various disciplines followed by in-depth discussions, remains glowing in the memories of many EEA members, scholars, and policy makers. A more in-depth analysis and coverage of this popular event is captured in **Chapter 2** of this book. However, it is perhaps worth mentioning here that almost all

¹⁷ Annual Activity Report 2004/2005 of the EEA, (Ethiopian Economics Association, July-2005)

¹⁸ EEA Annual Activity Report 2005/2006 of the Ethiopian Economics Association

¹⁹ Booklet on EEA's 25 years journey (Ethiopian Economic Association [EEA], 2017).

interviewed EEA leaders and members suggested EEA to start organising similar forums in the future.

Milestone 4: EEA's Multipurpose Building Constructed

During this second phase of the association's development, a key milestone that EEA can take pride in was the construction of the EEA multipurpose building. This building, the first of its kind among professional societies in the country, was constructed in Addis Ababa.

EEA's multi-purpose four-story building was intended to house EEA's headquarters, EEPRI, and the envisaged EEA Training Institute. The building encompasses various facilities, including a conference hall with the capacity to accommodate 400 people along with a projector room, nine rooms that can function as caucus rooms during conferences, 30 private offices, a library, a student lounge, a resource centre, a computer lab, a gymnasium, nine shops on the ground floor, a multipurpose hall capable of comfortably seating 1000 people, a cafeteria, and a coffee shop²⁰.

²⁰ EEA Annual Activity Report (2004/2005) of the Ethiopian Economics Association, Addis Ababa July 2005

Box 1: EEA and St Michael Church become permanent neighbors

Dr. Befekadu Degefe, founder and 4th President of EEA, tells a very interesting story about the building. The idea of constructing the building sprang when Dr. Befekadu and Prof. Berhanu Nega (on behalf of EEA) were invited to a workshop at the newly inaugurated CCRDA building. Dr. Befekadu and Prof. Berhanu Nega looked around and were impressed and turned to each other and asked “Why not EEA?”. Soon after, the association applied to the authorities and secured the land. When they came to the site for the first time, they were chased away by St. Michael Church priests who claimed that the land belonged to the Church. They returned with police officers, demarcated the land and the construction began.

A Fundraising Committee was established at the 12th General Assembly of EEA in 2003. Abiy Hailu of Christian Aid was elected as Chair. Construction of the building commenced in November 2005. The financing for the construction was made possible through the mobilisation of resources from various sources including fundraising events at different times, in which members participated, and by a loan secured from the Commercial Bank of Ethiopia. EEA's multipurpose building was inaugurated in the presence of the former Prime Minister of FDRE, H.E Ato Hailemariam Dessalegn, on November 15, 2008 and stands as a significant milestone in EEA's history.

EEA's multipurpose building now serves as the headquarters of EEA and houses its research staff. In addition, the building hosts EEA's annual general assembly meetings, as well as various conferences, seminars, and meetings, including the international

conference on the Ethiopian economy. Additionally, EEA generates income by renting out several of its rooms to different users, which helps cover part of its operational costs while fulfilling its missions and objectives.

Milestone 5: EEA's Regional Chapters Established



Picture 2: EEA's Multipurpose Building and its official inauguration by former PM, Hailemariam Dessalegn

As part of its effort to deliver its mission and objective, the Ethiopian Economics Association established its regional chapters in collaboration with universities operating in different regions of the country. In this regard, a decision was made by EC of EEA during its meeting on January 1, 2007²¹ to establish these chapters with a view to:

²¹ Minutes of EC of EEA, Minutes No.: 1/2007, January 1, 2007

- Create focal points and platforms through which research and training needs of individual economists as well as institutions that fall within EEA's mandate could be identified, articulated and acted upon.
- Establish communication and information channels for EEA to reach out to economists in government, private and civil society institutions in these regions through the dissemination of EEA research outputs and publications, the demand for which has been articulated for long by regions.
- Serve EEA as a launching pad for collaboration and cooperation with regional Universities (Economics departments in particular) in the areas of promoting and adding quality to the study of Economics (one core EEA Objective) in these higher learning institutions
- Enhance EEA's efforts to become a robust and vibrant association with a broader and geographically diversified membership and effectively reach out to professionals and the public at large in the regions, with a more strengthened and inclusive constituency base.

Through these chapters and engaging regional universities with the signing of MoUs, EEA has been able, over the years, to organise various regional trainings, conferences, and round table discussions on issues pertinent to the Ethiopian economy and regional socio-economic issues. These activities have reached policy decision makers at regional and national levels, with the dissemination of the results through EEA's various publications.

The regional chapters were instrumental in boosting EEA's regional membership and providing them with training opportunities in various aspects of economic research and policy-making approaches and methodologies. Presently, EEA operates on the ground in seven universities, namely, Hawassa, Bahir Dar, Haramaya, Dire Dawa, Mekelle, Jimma and Jigjiga universities.

It is important to note that although Economics Departments of these universities serve as secretariat of the chapters, regional bureaus of Planning and Economic Development (or equivalent) are key partners and on several occasions regional Presidents attend the annual regional conferences and deliver opening or keynote speeches.

Among the challenges faced by EEA during the period included financial limitations, hindering the realization of the ambitious plans for the multi-purpose building. Furthermore, the Key Informant Interviews with former EC members and EEA's senior members indicated that there were attempts to form separate regional economics associations, in some regions which could have fragmented EEA as a national Ethiopian Economics Association. This led EEA's executive committee to act swiftly and steadfastly and collaborate with regional universities to open chapters (once again, in the Economics departments of these universities) as EEA's anchor points. With regard to the state of professional services members are getting through these regional chapters, 67% of our survey respondents have confirmed that EEA's Regional Chapters are serving their members to better access services while the rest (37%) either disagree or remain

neutral, which demands the attention of the association going forward.

Another serious challenge the association encountered during this phase was the misunderstanding created between EEA and the government following the aftermath of the 2005 general elections held in the country, where two of EEA's ex-presidents were put under government custody for having participated in the elections representing the opposition. Although both leaders had resigned from their official EEA positions prior to 2005 and were not holding any official positions in EEA during the elections, the intellectual clout they commanded among EEA's membership and the public at large, due to their active leadership role in founding, developing, and shaping EEA as a reputable economic policy research think tank in the country, appears to have cast shadows of doubt among some government authorities who raised questions about EEA's status as a neutral and nonpartisan association.

EEA's Executive Committee of the time, led by the late Dr. Wolday Amha, EEA's 5th president during these turbulent times (2005–2012), aided by the unflinching support and hard work of EEA's EEPRI-Secretariat staff, made extensive efforts and walked extra miles to demonstrate the association's non-partisan and independent stance by rebuilding rapport with the government in the aftermath of the elections. In this regard, EEA adopted a two-pronged strategy. One aspect involved maintaining professionalism and focusing on the quality of EEA/EEPRI's

research products and publications, better than before²². The other aspect consisted of relentless engagement with the government through what the EC termed "doubt clearing and confidence-building measures²³". This involved carrying out a series of meetings with senior policy advisors and decision-makers of the federal government, including senior advisors with a rank of ministers at the prime minister's office and sector ministry officials. These meetings served as helpful interventions to re-affirm EEA's professional and nonpartisan stance as well as its unwavering commitment to its objectives and values of independence and professionalism stipulated in its by-laws.

Fortunately, this approach yielded the desired positive results, thanks to the wise and pragmatic leadership of EEA and the resolute effort of its research and secretariat staff in showcasing EEA's professional and evidence-based research and publications to all concerned. An equally important factor which made the confidence-building measures successful was, the support EEA garnered from its members who held high positions in government at the time and stood by their association in its difficult times to be part of the confidence building process and helped in opening important doors at the policy level²⁴. One important lesson for the association from this experience is the need to be present in every sector of the economy and at every level of decision-making

²² Interview with the former Principal Researcher and Director of EEPRI

²³ Minutes of EC of EEA, Minutes No.: 4-06, 17 February 2006; and minutes No. 7, April 20, 2006

²⁴ KILs with EEA's previous EC members and senior research staff

process, as much as possible and feasible. As a result, EEA was able to turn this formidable risk into an opportunity, and in fact, it secured government contracts for its economic research projects and various capacity development trainings for high-level experts creating a practical avenue to show its 'true colours' as a strictly evidence-based economic policy and research think tank. It is perhaps worth noting here that EEA's leadership at the time was also able to access loans from the Commercial Bank of Ethiopia to fund the construction of its four-story multi-purpose building.

1.2.1.3 Evolution and Adaptation

This phase covers more or less the period from 2012 to the present and is by and large marred by significant challenges and ups and downs. Some of these challenges have had a significant negative impact on EEA's operations, particularly its research and publication activities as well as its hitherto vibrant and engaging public dialogue platforms, such as the Vision 2020. This was particularly due to the defunct Charities and Societies Proclamation No. 621/2009 which significantly reduced EEA's financial and institutional capacity. As a result, between 2012 and 2017, EEA faced an existential threat to its very foundation, with its license renewal process put on hold for almost five years. The defunct law imposed restrictive provisions requiring all CSOs including EEA to raise 90% of their funds from local sources to run their program operations. This made it practically impossible for EEA to research and publish and run its various public dialogue platforms critical to delivering its objectives.

During this period, EEA was not able to renew its license which resulted in a significant decline in funding its various projects, as its major donors had to comply with the regulations. This resulted in a weakened network, financial difficulties, staff frustration, and a decline in motivation. The order issued by the then CSO regulatory agency, which banned EEA's registration and froze its bank accounts without due process, represented the peak of the problem in this regard.²⁵

During this time, members, through various general assembly meetings, stood with EEA to uphold its original mission and objectives. There were extraordinary emergency meetings of the general assembly while it was only mandatory to call meetings annually²⁶. While the general membership stood by the association, EEA members in high-ranking positions rallied behind their association, once again, and supported the executive committee in presenting its case at the necessary levels, allowing the association to hold its breath and have the time needed to re-organise and search for local resources. This enabled EEA to continue its research and publication activities while remaining true to its original mission, objectives, and values. It is worth noting that during this period, many like-minded national CSOs engaged in policy advocacy work, in good cause, had to cease operations, making EEA's continued existence a testament to the

²⁵ Letter written by the CSO regulatory agency, to freeze the bank accounts of EEA, 2012

²⁶ Minutes of the Extraordinary General Assembly of the Ethiopian Economics Association (EEA), November 23, 2013

perseverance, resilience, and commitment of its leadership and membership. Some characterize the EEA as a 'symbol of resilience' for its agile and adaptive behaviour during these testing times.²⁷ Further strengthening the perception of EEAs leaders a significant majority of members that participated in the survey (90%) expressed confidence in the leadership of EEA's elected leaders and management staff in the manner with which they led EEA as a resilient and pragmatic association during its difficult and testing times.

The financial impact of this restriction forced the Executive Committee of EEA to take drastic measures to rationalize EEA's structure and implement various cost saving measures that included staff salary reductions and contract terminations. The association also underwent a restructuring process, which involved focusing on project-based research and the inclusion of associate researchers collaborating on projects aligned with EEA's objectives. Additionally, EEA established an Income Generating wing to rent out spaces in its multi-purpose building and generate income for its core activities, which was later made possible with the enactment of the new Civil Society Proclamation²⁸. As a result, the former EEA secretariat and EEPRI have been rationalized into four new functional divisions: Research and Policy Analysis (PRA), Partnership and Communications, Administration and Finance, and the Income Generating Activity (IGA) of EEA. A new CEO has been

²⁷ KII with EEA's leadership and FDG with EEA executive management and staff

²⁸ Proclamation No. 1113/2019

assigned to manage EEA's overall operations, lead the above-mentioned functional divisions, and be accountable to the EC²⁹.

The reform measures, such as cost-saving strategies, restructuring, resource utilization, and revised organisational and management systems, played a crucial role in ensuring EEA's survival and maintaining the continuation of its research and publication activities. The rationalization process is seen as a continuous adjustment to shocks in EEA's external environment, which is subject to change and evolution. The relapse to project funding as opposed to following institutional and core funding modality was a short-term measure that saved the association from collapse and needs perhaps to be taken as a reactive measure in response to the context. In the long-term, however, discussions with the current leaders and members of EEA indicate that the future path of the association should return to institutional funding modalities and further enhancing internal resource mobilisation that are much more sustainable if EEA is to retain its independence, sustainability and vibrancy as a professional think-tank in Ethiopia.

In this regard, it is quite reassuring to note that "broadening and diversifying EEA's strategic partnership and networking for sustainable economic and policy research, training and technical assistance, and knowledge generation and dissemination"³⁰ forms part of the current strategic direction of EEA.

²⁹ EEA strategic Plan 2021-2025

³⁰ Ibid.

Among the most important drivers of change in implementing the new strategy are EEA's persistence in maintaining its professional independence and quality of its research work and its emphasis on opening up increased opportunities for its members to participate in its various research undertakings. In addition, the priority given to building stronger partnerships with regional governments and sector ministries to further enhance their policy formulation and project implementation capacity is a timely and sound strategy that syncs with the objectives of EEA and adds more value to its continued relevance and impact in the Ethiopian economic policy formulation and implementation landscape.

1.3 EEA Leaders

1.3.1 EEA Founders' Vision

It is to be recalled that the founding president of EEA presented a compelling vision during the association's inaugural ceremony in 1992, as mentioned in the previous section of this piece. Looking back, it can be argued that EEA has indeed turned the dreams of its founding fathers into reality, as evidenced by the following:³¹

- Its membership has expanded from a few founding members (not more than 300 registered members during the inaugural ceremony) to above 5,202 registered members as of June 2023.

³¹ EEA archives and Report on 25th anniversary of EEA's founding, EEA-EEPRI (2017)

- It has established itself as a respectable repository of knowledge and amassed an impressive track record of research and publications that consists of several publications comprising the Ethiopian Journal of Economics, Annual Report on the Ethiopian Economy, working papers, newsletters, research briefs, and proceedings of conferences including regional and international conferences.
- It has significantly enhanced its capacity to organise various public dialogue forums, such as the International Conference on the Ethiopian Economy, regional conferences on the economic performance of different regional states in the country, and thematic discussion forums, and;
- Further advanced the cause of public education in economics by forging alliances with academic institutions in the country, including signing MoU's with seven regional universities that currently host its regional chapters in their premises. In this regard, it was observed that almost all members (97% agree and strongly agree) have the opinion that EEA has contributed to advance economic science and the teaching of economics in Ethiopia.
- Institutionally, the Association which began its activities with just one staff now has more than 37 staffs working under the EEA and its income generating wing. Moreover, it has grown from an organisation with assets worth not more than a few hundred Birr to the owner of a magnificent multi-purpose building.

1.3.2 Creating and maintaining a vibrant organisational culture at EEA

Did EEA manage to live up to its championed values? According to Edgar Schein, a renowned organisational psychologist and management scholar, the culture of an organisation is "*a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration.*"³² EEA upholds several core values that guide its day-to-day operations. These values include **professionalism, integrity, independence, quality, efficiency, teamwork, and inclusiveness**. Interviews with past and current leaders of EEA, focus group discussions with EEA's current management and research staff as well as the membership survey indicated that the association has demonstrated in practice its commitment to most of its core values, while in some it is still work in progress.

Among EEA's core values, professionalism, integrity, and independence stood out as the strongly championed values that are embedded in the association's culture of work beyond reasonable doubt. EEA recognizes the importance of these values and considers them as shared principles within the association. Members consistently demonstrate professionalism by adhering to high ethical standards and continuously developing their expertise. Interestingly, almost all the 123 participants of the

³² Schein, E. H. (1997). Organizational culture and leadership (2nd ed.). San Francisco: Jossey-Bass

survey (i.e. 98% Agree/strongly agree) recognize EEA as a premier professional association in Ethiopia.

EEA's integrity is demonstrated by its open and transparent mode of delivering its research products and publications which are tabled in open dialogue platforms particularly international and national conferences, putting the public interest at the forefront. In addition, this is also demonstrated by members' principled position to stand by the side of their association when it faced serious existential threats as discussed in the preceding sessions. In this regard, about 71% of the survey respondents have testified that EEA members were supportive and stood by the association in its difficult times.

The association's commitment to independence is guaranteed by its research and policy recommendations, which have remained unbiased and free from undue influence over the years. In this respect, it is worth noting that a significant number (86%) of the survey respondents (49% agree and 37% strongly agree) have expressed confidence in EEA as an independent and professional association. The discussions revealed that EEA needs to remain committed to maintaining and upholding these values to sustain its credibility and impact.

While EEA has made significant strides in upholding its values of quality (i.e., rigorous research methodologies and evidence-based work), efficiency (optimizing its operations and managing resources effectively), and teamwork (a collaborative mindset), the discussions indicated that there is still room for improvement in this regard.

Inclusiveness, particularly with regards to gender and disability, is an area that discussants pointed out as requiring tailored interventions, which is already recognized and under consideration by the current EEA leadership, and perhaps righteously so.

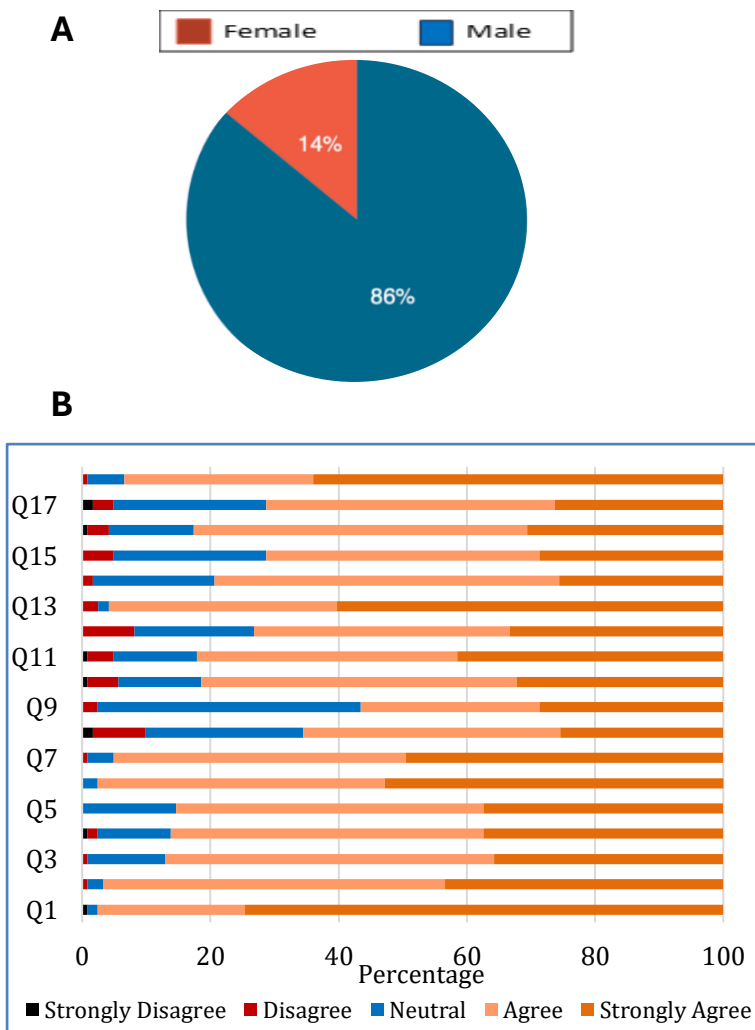
With this positive track record and caveats, it can be argued that EEA's successive generations of leaders and members have indeed lived up to the associations espoused values over the years. This is further corroborated by the results of the membership survey, where 87% of the respondents (51% agree and 36% strongly agree) perceive the founding and successive generations of EEA's leaders as knowledgeable, visionary, committed, and capable.

Figure 1 is a summary of members survey. Figure 1A shows the male to female distribution of the participants. Out of the 123 respondents 14% were female and 86% were male. Figure 1B displays responses to 18 questions asked to the members with the colours indicating strongly disagree to strongly agree. Key to the codes is found in Annex 1.1.

1.3.3 Voluntarism

Individual leaders of EEA, in various capacities, over the years have consistently been committed to advancing the field of economics, have been very passionate about the association, and have been ready to go the extra mile in terms of dedicating themselves to the various tasks and challenges the organisation has faced over the years.

Figure 1: Results of members survey (n=123)



The successive generation of EEA's leaders has indeed won the admiration and respect of the general membership and EEA staff for their unparalleled and selfless commitment to not seeking any financial remuneration while delivering their oversight, quality assurance, and overall leadership tasks. In this respect, it was interesting to note that 85% of the membership survey respondents agreed (48% agreed and 37% strongly agreed) that there is a strong and unique culture of voluntarism among its founding and successive generations of leaders'. This internal recognition and respect to EEA's leadership by its members is further reinforced by various external reviews and evaluations conducted by EEA's funding partners. In this regard, a midterm review that was conducted by one of EEA's partners, the African Capacity Building Foundation, in 2012 had this to say.

“A major success factor is the effectiveness of the leadership of the Executive Committee in its oversight role. Since the project has commenced operations, the EC meets at least monthly with an up-to-date record of minutes of meetings. It has continued to approve new research and training policies and guidelines for EEPRI; approve the annual work plan and budget; approve the external audit report; and assist in mobilising resources, and engage in public relations for the Project. It is therefore not surprising that EEPRI is effectively and efficiently managed. ACBF may consider using this as benchmarks for other projects it supports and encourage national economics associations in countries it operates to

consider adapting the EEA/EEPRI Model”³³.

In addition, it is worth noting here that the past EC members continue to serve as advisors, authors and editors of various publications, including this book. To some degree ordinary members also respond to calls for voluntary contribution (e.g. provide training). However, efforts need to be exerted by the leadership to promote voluntarism among the members. Voluntarism should not be limited to the EC.

Perhaps a potentially challenging issue that needs to be clarified further, moving forward, is the fact that the balance between voluntarism and paid work is changing. This change becomes particularly relevant as the volume and scope of work and the geographic reach of EEA's activities continue to expand.

This natural tension between voluntary service and paid service needs perhaps striking the right balance between continuing to have a strong voluntary executive committee that is highly committed to undertaking its oversight and quality assurance roles (as mandated by EEA's bylaws), while at the same time further strengthening EEA's employed core management and research staff to work innovatively and effectively with due discretion and managerial authority with accountability, to make effective and

³³ Mid-Term Review of the Ethiopian Economics Association/Ethiopian Economic Policy Research Institute (EEA/EEPRI): Prof. David O Ajakaiye, African Centre for Shared Development Capacity Building, 35, Arigidi Street, Bodija, Ibadan, Nigeria, ajakaiye olu@yahoo.com, March 2012

efficient decisions that are commensurate with meeting the growing demands and expectations of EEA members and stakeholders.

1.3.4 Resilience under changing and complex policy and operational environment

As discussed in the previous sections, EEA has been resilient in responding to changes in its policy and operational environment. The subsequent generation of EEA leaders demonstrated the vision, commitment, wisdom and capacity to read the changes in their environment and adopt a situational leadership style guided by their firm commitment to the mission, values, and goals of the association.

A retrospective reflection on EEA's pathways over the last 30 years indicates that the association was initially led by inspirational, visionary, and charismatic leaders, who set the tone for future generations of leaders to remain committed to EEA's mission and vision. Taking up the torch from the founding leaders, the second generation of EEA's leaders embraced the challenging yet fulfilling tasks of engaging in economic policy research, dialogue, and publications across the country and through various platforms. These efforts enhanced EEA's reputation as a recognized membership association and economic policy think tank in the country.

In the face of infamously restrictive policies, the third generation of leaders employed wisdom, perseverance, and resilience as guiding principles to safeguard the association while unwaveringly

remaining committed to its mission and objectives, as well as its values of professionalism, integrity, and non-partisanship, rising to the standards set by EEA's founders.

Moving forward, the current, and perhaps the fourth, generation of EEA's leaders' needs to learn from the past and develop adaptive strategies that consider adjusting EEA's business models to foster inward-looking, leverage the association's membership resources to address local capacity development needs, and further align its research efforts and products with local demand. In so doing, EEA can develop the capacity and mindset to move from 'surviving' external turbulences and shocks to a more proactive stance of 'thriving', despite external shocks. The current focus of the leadership on accompanying the process of economic transformation through such interventions as adding quality to the realization of the recently adopted 10-year development plan (2021-2030) is a move in the right direction³⁴. If EEA can play this enabling role professionally, judiciously, and independently, it will broaden its relevance in advancing economic science, undertaking evidence-based and relevant economic research, and thus adding value to the policy-making process and practice in the country.

³⁴ EEA Strategic plan 2021-2025

1.4 Managing a Unique Combination of CSO, Think-Tank and Academic Institution

This section addresses the key research question of whether EEA's position as a unique combination of a civil society organisation, a think tank, and an academic organisation presents an opportunity or a threat to the association.

The EEA currently operates as a membership-based professional civil society organisation (CSO), a think tank, and an academic institution. EEA has played and continues to play a significant role in managing this unique but delicate combination of roles to fulfill its mission of advancing economic science and conducting economic research to inform policy decisions. EEA accomplishes this through the following ways:

1.4.1 Professional civil society organisation (CSO)

In this capacity, the EEA currently plays the following important roles:

- a) **Representation and advocacy:** EEA works as a representative association of economists, promoting their professional interests and advocating for engagement with policymakers to foster economic growth, social welfare, and sustainable development in Ethiopia. By virtue of its objectives stated in its by-laws, EEA is inherently a civil society organisation of economics professionals that exists to serve primarily a 'third party,' interest i.e., public interest.

- b) Collaboration & Knowledge sharing:** EEA is engaged in facilitating knowledge sharing, experience exchange and collaboration among its members and the public by organising conferences, seminars and workshops on the economy. It does so by creating platforms where researchers, policy makers, private sector and civil society actors exchange ideas on pertinent economic issues and generate workable solutions to the country's economic problems and challenges.
- c) Fostering member's professional development:** EEA is playing a crucial role in enhancing the professional development of economists. It has created various platforms and interventions that provide opportunities for its members to develop their skills and stay up to date on the latest theories, approaches and methods in economic thinking and practice.

1.4.2 Economic policy research think -tank

As an economic policy research think tank, the association currently performs the following functions:

- a) Economic policy research and analysis.** EEA conducts rigorous economic research to analyze policy issues and provide evidence-based recommendations. It does this by producing reports, policy briefs and various publications on pertinent economics topics such as industrial and agricultural policy, fiscal and monetary policy, trade and development, etc.; to help policymakers and government agencies make informed decisions. In this connection, 98% of survey

respondents, strongly agreed/agreed with the proposition that EEA has contributed to creating a culture of policy dialogue and debate in Ethiopia, through its various platforms.

- b) **Data Collection and analysis.** EEA collects and analyzes quantitative and qualitative data to identify and understand emerging economic trends and patterns. It organises and maintains relevant databases and economic information that could be used for evidence-based policy making and informed public discourse in academic, government, private sector and civil society institutions.
- c) **Dissemination of research results.** EEA avails its research findings and policy recommendations to a wide audience of policymakers, academics, private sector and civil society organisations by publishing research papers, policy briefs, and annual reports on the performance of the Ethiopian Economy in hard and soft copies. About 83% of the respondents have the opinion that EEA's research products and publications have addressed the pertinent economic issues of the country, whereas the rest, 17% have their reservations. This indicates that though the overall performance is good and far above average, there is still need for further strengthening EEA's research and publication work.
- d) **Engaging with the media.** During the discussions held with the leadership and management of EEA, it was observed that the association recognizes the need for engaging the media as a means to reach to the wider public. In a similar vein, almost all members (94% agree and strongly agree) have expressed

the opinion that, EEA needs to reach out more to the public and mass-based associations using its research products, discussion and dialogue platforms.

1.4.3 An academic institution

The primary purpose of constructing the aforementioned building was to host the study of economics and build research capacity. To this end, there are on-going training services as well as one on the pipeline (at the time of writing):

- a) **Training and Workshops.** EEA conducts training, workshops, and seminars to enhance the skills and knowledge of its members, economists, researchers, students, stakeholders and partners. These programs cover various topics, including but not limited to, econometrics, economic modeling, data analysis, and research methodologies. By offering specialized training, the association contributes to the professional development of individuals in the field of economics. Survey of members indicated that 73% benefited from the various skill training workshops, conferences and discussion platforms organised by EEA while the remaining 27% have a lot more to desire, suggesting the need to enhance EEA's membership services in the future.
- b) **Providing Professional Services to Universities.** One of the means through which policy-making capacity could be improved is through support for regular training programs at various universities. Universities serve as the natural

incubators for future policy makers. To meet this objective, EEA staff has been supporting graduate-level teaching in economics in various forms at different universities. Consequently, several EEA senior research fellows have provided capacity-building services, including teaching graduate-level courses, supervising Masters and PhD students, and serving as members of thesis examination panels, among other roles. EEA also offers internship training for both local and international university students.

- c) **Post graduate (masters and doctoral) studies.** This is still a work in progress. EEA is well-positioned to influence and add value to the quality of higher education in economics. It has a strong membership base of experienced and seasoned economists, renowned researchers and academics that it can mobilise to venture into this noble task. The association is currently working towards obtaining accreditation³⁵ from the relevant regulatory agencies. Its credible research products that are anchored in investigating and addressing the structural and sectorial economic issues of the country and its experienced research and teaching staff, provide unique opportunities to make a difference in this regard.

³⁵ Discussions with EEA's EC members and management staff

1.5 The challenges of managing the unique combination³⁶

Some of the challenges related to EEA's unique combination of a civil society organisation, a think tank, and an academic organisation include:

- The fact that there are some members who misunderstand this unique setup of EEA, expecting the association to work for safeguarding their immediate benefits, in a fashion similar to that of trade unions. This creates, at times, unwarranted mismatch between member expectations and the association's broader goals of serving society.
- EEA's status as a civil society organisation (CSO) has subjected it to highly restrictive regulations governing civil society, resulting in significant losses and increased scrutiny from policymakers. As indicated in the previous sections, its registration as a civil society organisation had its own advantages as well as drawbacks for EEA, particularly during the strictly prohibitive, now-defunct, CSO law. One of the challenges in this regard has been, EEA's additional burden of clarifying its unique identity to government officials and spending a lot of its energy and time, to 'defend' its lawful activities that were carried out, within the limits of the country's fundamental laws, including the right to association,

³⁶ Ibid.

enshrined in the constitution and the international human rights conventions' it has already ratified³⁷.

- Managing the diverse roles of a civil society organisation (CSO), think-tank, and academic institution was often a challenging task for EEA, as it required balancing priorities and ensuring a cohesive strategic direction to avoid a lack of focus and maintain a clear sense of purpose in each of these roles.³⁸

1.6 Opportunities and Prospects

Some of the opportunities regarding EEA's unique combination of a civil society organisation, a think-tank, and an academic organisation include:

- Though distinct, these three roles and functions of EEA (think tank, academic and CSO) can be complementary and mutually reinforcing. EEA members aspire to contribute to the country's development by developing their professional skills and knowledge as capable economists. EEA's research and publications serve as a source of knowledge and practice in economic policy making and practice. EEA's training and teaching interventions provide its members and researchers at large the required skills, methodologies and tools to conduct

³⁷ Article 31 of the FDRE constitution on freedom of association states that “*Every person has the right to freedom of association for any cause or purpose...*” In addition, Article 9, Sub-article 4 of the constitution states that “*All international agreements ratified by Ethiopia are an integral part of the law of the land*”

³⁸ Discussions with EEA's EC members and management staff

research and engage policy makers for change and transformation.

- It is interesting to observe with regard to this particular point that, almost all respondents of the membership survey (96% agreed or strongly agreed) have acknowledged that EEA's unique combination of being a CSO, a think-tank, and an academic institution is an asset that the association needs to continue building upon.
- The current Civil-Society policy framework in Ethiopia provides better opportunities for EEA to directly engage in policy advocacy, lobbying, and research aligned with its mission and mandated functions.
- Being a CSO provides advantages such as broadening the membership base, using the expanding network as a constituency, and leveraging the skills of members to deliver cost-effective and hence competitive research products to users. Counting on and further expanding the effective use of EEA's membership for implementing research projects will have a huge long-term impact on reducing the association's dependence on external sources.
- Having a critical mass of economists as its members enables EEA to transcend beyond addressing its members' immediate professional and career development interests. It would allow the association to wield substantial influence and leverage among policymakers, the private sector, and CSO actors, through its members spread across the diverse sectors of the

economy. As many EEA leaders and researchers stated during the KIIs, EEA has benefited a great deal from its contacts with government institutions through its members. In addition to the repeated times EEA's members came to rescue their association from closure, as discussed in the previous sections of this work, many agreed that EEA's strong bond and connections with its members allowed its research staff to navigate and gain access to real-time government data and resources much needed for its various research undertakings.³⁹

In conclusion, it is important for members and EEA's partners at large to recognize and appreciate these unique roles that EEA incorporates as a CSO, a think tank, and an academic institution, as these roles are not mutually exclusive but rather complementary. This offers the association various opportunities to create a meaningful impact and drive positive changes in the economy.

1.7 Women and Youth

This section explores the level of participation of youth and women members in EEA's activities and whether the next generation of economists is being given the space to prepare themselves for leadership positions.

³⁹ KIIs with EEA leaders and former senior researchers at EEPRI

1.7.1 The participation of women and youth in EEA activities

The participation of women in various aspects within EEA, such as research staff, leadership at the management level, research outputs, and paper presentations, is relatively low. The following facts highlight these limitations:

- Women account for about 12% of the registered members (i.e. 917 of the total 5,202 registered members as June 2023)⁴⁰. This is still low and leaves a lot to be desired;
- Women accounted for approximately 11%, 14%, and 15% of paper presenters at the 18th, 19th, and 20th International Conferences on the Ethiopian Economy held between 2021 and 2023, respectively;⁴¹
- The number of female trainees in the various capacity development interventions of EEA is around 12%;⁴²
- Female attendance in the General Assembly has shown slight increment from 15% in 2021 to 19% in 2022;
- Two out of the seven members of the Executive Committee of EEA have traditionally been women;
- EEA gives equal opportunity to both female and male economics students in the process of selecting best thesis awards; and

⁴⁰ EEA Membership database

⁴¹ 18th, 19th and 20th International conferences programs

⁴² EEA Training Evaluation Report, 2022

- Out of the 123 members of EEA who took part in responding to the membership survey of this research, only 14% were female.

These findings and the discussions held with former and current women EEA-EC members strongly indicate that there is a need for EEA to take initiatives that are tailor made to addressing historical gender gaps in the association by creating equal access and opportunities for female economists to participate in every activity and structure of the association. The presence of disaggregated membership data by age, sex and educational background at EEA would have allowed a deeper analysis in this regard. Thus, it is advised that the Association keeps disaggregated membership data.

1.7.2 Preparing EEA's future leaders through coaching and mentoring

EEA has historically encouraged the participation of the youth in its activities starting from their early student days. The association has in particular supported its young members to participate in its various research undertakings, particularly through providing research grants for bachelor's and master's theses, mentorships, internships, and summer school programs, as well as through involvement as data collectors so that they gain experience from senior researchers. Numerous former students have highly praised this. One senior researcher shared his career journey in this regard highlighting that EEA has been a lab for him in his career path over the years. He mentioned winning the Best Thesis Award, which inspired him to go to the teaching profession, where he

ended up as a university lecturer and a top-level researcher⁴³. He speaks very highly and with deep gratitude to the EEA for making him what he is today as an economist and for inspiring him to shape young economists in return.

In addition, a number of interviewees suggested that the Eshetu Chole and Mekonnen Tadesse Annual Best Thesis Award for MA and BA students of economics are highly motivational interventions that need to be continued and scaled up, reaching out to more universities and making the award competitions more inclusive and accessible to young male and female economists across the country. In addition to the interviews, 32 recipients of the Eshetu Chole and Mekonnen Tadesse Memorial Awards participated in a survey to get a better understanding of how receiving these awards contributed to their professional development and standing within the field of economics. The results indicated that the awards were highly motivational and encouraged them to pursue further education, participate in various research undertakings and join higher learning institutions (public and private universities across the country in particular). In this regard, one of the award winners had this to say:

“... After receiving the Eshetu Chole Memorial Award, I went abroad and pursued a second master's degree in Economic Policy Management, demonstrating my commitment to gaining extensive experience and furthering my education. Currently, I am actively engaged

⁴³Interview with a former founding student member of EEA

*in pursuing a PhD. Winning the award has added a lot to my life. It gave me a lot of courage, and I made good use of it. It has even encouraged me to conduct various studies*⁴⁴.

Meanwhile, some of the award winners suggested that EEA should think about further expanding the award package to include educational sponsorship, which is a point worth considering, going forward.

Discussions with EEA's leadership, management and research staff highlighted that, there is a need to have a special provision that enhances the role of youth and women in EEA's activities and fosters the contribution they could make to the country's growth and development.

It is encouraging to see that EEA's leadership is already considering a move in this direction as one of its priorities, in this regard. Participants of these discussions emphasized as well that EEA must create sufficient opportunities for young economists and women to step forward and assume leadership roles in the association's various activities such as research, presenting papers in EEA's annual conferences and increasing their deserved share in EEA's governance and leadership structure.

This finding aligns with the membership survey results, where 81% of the respondents highlighted the need for a special provision in

⁴⁴ Survey respondent who is one of the Eshetu Chole Memorial Award Winners

EEA to enhance the role of women and youth in its leadership. In addition, 96% of the respondents Agree/strongly agree with the proposition that EEA should work more on harnessing the skills and capacities of its members in its various undertakings.

1.8 Lessons

The membership survey, focus group discussions, and key informant interviews with EEA's past and present leaders, and research staff as well as the review of literature, archives and EEA's strategic documents strongly suggest that EEA can become a more robust and dynamic membership-based economic policy think-tank and an academic establishment should it consider the following:

- i. Continuing to engage policy makers, the private sector, civil society and the public at large with ***credible, evidence-based and quality research results*** for effective economic policy formulation and practice.
- ii. Working to ***become a more proactive organisation that is an agenda setter*** in terms of economic thinking and practice in the country and whose research and publications provide perspectives on the country's future growth trends and trajectories, in addition to analyzing the performance of the Ethiopian economy in real time.
- iii. Maintaining and ***strengthening the principled and cordial relationship*** it has built with the government at all levels over the years.

- iv. Further strengthening its current ***governance board*** or EC, while maintaining its voluntary nature that continues to provide strategic leadership and oversight role to deliver its mission, maintain its core values and represent the association at the highest level of policy engagement, while ensuring its accountability to the membership and safeguarding its independence from unwarranted external interests.
- v. Ensuring that the association has a more robust, and effective ***management structure*** that can shoulder its mandated functions while supporting the EC to focus more on strategic leadership functions and relieving it from its traditional activities such as editing journals, reports and publications, etc.,
- vi. Materializing the vision and strategy of ***making EEA a centre of excellence in the field of economics*** by providing training and capacity-building services to the government, private sector, and civil society partners should be prioritized. EEA should also build its training facility and capacity to provide post-graduate Masters and Doctorial education in economics with a clear objective of advancing the quality education in the field and address the ever-growing demands of aspiring professionals in the field. In this regard, the association's research products, reports, and publications present abundant opportunities that can add value to the teaching and learning process and make economics education relevant, evidence-based, and impactful.

- vii. Creating and further ***strengthening technology platforms and innovative IT solutions*** to diversify its membership services and address members' professional development needs while using technology solutions to access members' services, including the use of online platforms to run professional conferences, lectures, and membership meetings, as well as settling membership fees, with a view to making EEA accessible to users.
- viii. Pushing more in its current effort to enhance members' **voluntary participation** in the association's various activities, enhance their sense of ownership and agency as economists, and make EEA a cost-effective and sustainable organisation through their active engagement and participation that can withstand external pressure and stay on course its mission, goals and values.
- ix. Reaching out to the public through electronic, print, and audiovisual media (radio and TV in particular), with a view to sharing the wealth of knowledge within EEA's membership and research staff, as well as the rich resources at its disposal in terms of its research outputs, publications, journals, and newsletters, and empowering the public to understand economic issues in a less complicated and easily understandable format and make informed decisions. This includes among others, translating EEA research products in local languages to increase the awareness of economic and social issues among the public and enhance the audience.

- x. Becoming an adaptive and innovative organisation that has the capacity to absorb shocks and survive and also develop the capacity to use the shocks as learning platforms, learn from them, and come out strongly changing the risks to opportunities and thrive.
- xi. Fostering networking connections and cohesion among EEA members and like-minded professional associations, within the country and abroad, through ventures such as establishing economic societies and 'Friends of Economics' clubs in universities and organising annual competitions for economics students in universities across the country.
- xii. Enhancing the capacity of Ethiopian economists to contribute to change and transformation of the economy and society in their fields of engagement (business, academics, government, civil society, etc.). That is, promoting their individual professional interest as well as collective agency as members of EEA.

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CHAPTER 2

VISION 2020: RETROSPECTIVE LEARNING

AMDISSA TESHOME

2.1 Introduction

It is most appropriate to open this chapter with a story Prof. Seyoum Tefera told his Vision 2020⁴⁵ audience on the evening of May 27, 2005

“Speaking of visions about one's country, I am reminded of a joke that I once heard. It is told of in the eighties that the leaders of the two superpowers went to pay their respects to Jesus, each of them asking Him in turns: “How much time, oh Lord, before my country gets to the pinnacle of development?” Jesus responded, without much deliberation, that America would have to wait twenty-five years, while the Russian had fifty years to go. Since nobody thinks any less of himself than others, the leader of our country gets the chance

⁴⁵ As soon as ‘Vision 2020’ was selected as one of the chapters for the book, an interesting debate ensued. Is this in Ethiopian or Gregorian Calander? Most speakers expressed their vision “25 years from now” or after “one generation” meaning from the time they were delivering their vision. Based on this information and consultation with EEA staff who were part of this pioneering forum, we were able to decide that it was in Ethiopian Calendar.

to ask the same question of how much time before his country gets to where the other two would. Jesus was somehow struck at the question, pondered a while, and retorted: As far as the fate of your country is concerned, Sir, let alone me, even my Heavenly Father, I am afraid, does not have any idea when that would happen!"⁴⁶

How much has the situation changed? We shall see as we progress through the chapter.

Vision 2020 was synonymous with EEA. It was a *flagship* event; a Trade Mark and among the most recognized events that members and non-members still talk about fondly. It had been described by its founders as “An EEA forum for Personal Perspectives on Ethiopia’s Future.”

What were the unique attributes of Vision 2020? What were the successes and shortcomings? This chapter address these and other questions based on (i) a comprehensive review of Vision 2020 records, (ii) interviews with selected speakers, discussants and moderators; and (iii) members were also asked to what extent the visions have been fulfilled. But first, what does vision mean?

2.2 Vision, Dream, Projection, Wish, Hope and others

It is abundantly clear from reading the Vision 2020 papers that almost all speakers struggled with how best to describe their

⁴⁶ <https://eea-et.org/wp-content/uploads/2023/03/Economic-Focus-Vol-8-No-2.pdf> (accessed 19.06.23)

contributions. Am I dreaming? Am I expressing my wish? Am I projecting? Am I setting a goal?⁴⁷ The Amharic, the language of the forum, equivalent of vision is *ra'ey* (Ethiopic ራይ) which means to 'see' ahead. The debate over the appropriate use of vision was so intense that, Prof. Bahru Zewde recalled that the late Yonas Admasu had insisted the correct Amharic word for vision is *Còð*, whereas ራይ denotes 'revelation'.

There are several other terms that Vision 2020 speakers struggled with and give a similar sense of 'seeing' ahead or 'revelation'. For example, 'Projection' is a mathematical procedure that generates future outcomes based on historical data. Population projection is a classic example.⁴⁸

Of dreams⁴⁹ (*hilm*; Ethiopic ህልም), it is often said that they are a reflection of things one has thought about or talked about or discussed with friends or workmates during the day. If one has thought or talked about a relative visiting from America, they are likely to dream of welcoming the visitor at the airport or things that

⁴⁷ There are several competing concepts for which there is no space in this chapter. Dream and vision are the greatest rivals. Readers interested in understanding the difference between these two may visit <https://www.lifehack.org/articles/communication/the-difference-between-dreaming-and-having-vision.html> (accessed 06.07.2023)

⁴⁸ The psychological interpretation of 'projection' is beyond the scope of this chapter. Interested readers may consult <https://www.britannica.com/science/projection-psychology> and <https://www.psychologytoday.com/us/basics/projection> (both accessed 16.09.23)

⁴⁹ Night dreams as opposed to day dreams.

might prevent the person from coming. There are always two sides to a dream. In the literature, dreams are defined as “the messages delivered by the unconscious mind during sleep”. Dreams are connected to daily life and can lead to deeper understanding and self-awareness.⁵⁰

Another important characteristic of dreams is they are subject to interpretation. The same dream may be interpreted differently – one might say “it is a blessing”; the other “it is a curse”. Interpreting dreams is a recognized area of research and practice in psychology (e.g. Strachey and Freud, 2010) but not all dreamers have access to psychologists. In largely traditional societies like Ethiopia, dreamers turn to elders for interpretation and it is often a subject of discussion over morning coffee. ‘Wish’ and ‘Hope’ are the least objective and evidence-based. They are one’s desire for a positive outcome.

From these reflections, it is clear that ‘vision’ is the right choice for the platform. It differs from all others in one important way – timeframe. Vision is long term but has a timeframe. When one dreams, it is not exactly known when the dream is going to be true. The same is true for hopes and wishes.

Setting a ‘Vision’ became very popular in Ethiopia during the civil service reform in the 1990s when ministries and administrative structures at all levels set and displayed their vision statements where everyone could see them.

⁵⁰ See for example, [DeBord](#) (2017) and [Shields, Hindman, and Skomal](#) (2011)

Vision 2020 speakers were encouraged to base their vision on an assessment of the past, the present and the future. More importantly, they were required to outline what measures need to be taken to realize the vision.

However, most if not all Vision 2020 speakers expressed how difficult it is to set a vision 25 years ahead. For example, Lishan Adam, setting his vision for information technology, remarked,

*In this fast-paced Age of Information Technology, it is extremely difficult to prognosticate in any meaningful way what awaits us even in the coming twenty months, let alone twenty years down the line. Because the information technology cycle does not normally exceed 5 years, any vision as one might project and the policies ministering to that vision will have lost their significance after 5 years.*⁵¹

Lishan reminded us how in 1949 Thomas Watson had predicted the world market would have no demand for more than 5 computers but presently a typical employee or self-employed individual may have at least one computer (desktop or laptop) at home. In the past, predictions were made without taking into account people's level of development and the capacities of the different countries, subsequently they proved to be nothing more than the dreams and pet phrases of information technology professionals.

⁵¹ <https://eea-et.org/wp-content/uploads/2023/03/Economic-Focus-Vol-7-No-3.pdf> (accessed 21.01.2024)

2.3 Why Vision 2020 Ethiopia?

Dialogue is inherent in Ethiopian culture. All traditional structures and communities are centred on dialogue. Neighbors get together daily around *coffee ceremonies* to inquire about each other's health; the health of distant relatives; bereavements, and exchange information on broader social, economic and political issues of the day.⁵² *Idirs* and *Iqubs* also serve as platforms for sharing information in addition to their primary goals.

EEA's Vision 2020 was preceded by roundtable discussions that ran for five years 1997-2002. Both the roundtable and Vision 2020 were consistent with EEA's mission of representing the professional interests of its members, advancing the discipline of Economics and contributing to the development of the Ethiopian economy. However, an analysis of feedback from members indicated that there was a gap between the goal of the roundtable and the desired change. That is, the recommendations of the roundtables hardly informed policy-making and implementation. The roundtables largely focused on contemporary issues facing the country with very little discussion about future challenges to the economy, the country and its people.

⁵² Some go as far as suggesting that many of the revolutions in Europe were traced back to conversations that started in coffee houses. However, when coffee became more tied to hyper-capitalism and consumerism, it produced gentrification, individualism and isolation. Ethiopian style coffee ceremonies are being advocated in Europe and North America (No sugar, No cream, *Selamta* July-August, 2023).

There are multiple advantages to developing a coherent vision at least one generation ahead. First, it enables policy makers to see the forest (holistic) without being bogged down by the details of the individual trees. Equally importantly, it allows the community to think about the life they are bequeathing their children. Second, it is likely to be less emotional and acrimonious than contemporary issues. Third, it has the tendency (potential) to minimize small differences, put the larger picture at the forefront and provide a shared destiny. Fourth, such a forward-looking discussion also institutionalized disciplined thinking about policy making and could avoid the blame game. Last but not least, bringing together what we consider as the *crème de la crème* in academics, government, business, religion, art and civil society in one forum could disentangle some of the most complex challenges facing the country.

In the final analysis, the Association realized that the problems facing the country were so vast that the solutions generated through the roundtables were simply the “tip of the iceberg” or to use the Amharic idiom “*Abayin be chilfa*” (trying to drain the Nile with a spoon). Furthermore, although there is the culture of dialogue among the population as indicated above, strategic thinking and far sightedness were clearly lacking. At the time of the roundtables, there was indeed hopelessness.

One way, if not the only way, to reverse this trend was to introduce a forum where the Association could lay the foundation for visioning, building self-reliance, and replacing hopelessness with a bright future. Hence, the birth of Vision 2020 Ethiopia!

2.4 Attributes of Vision 2020

a) *Clear guidance*

The decision to shift from roundtables to Vision 2020 meant the *modus operandi* had to change from one that identified contemporary issues *a priori* to one that gave speakers the freedom to chart their “personal perspectives on Ethiopia’s future”. However, such a forum could not be left entirely open. A guide was necessary to ensure consistency and institutionalize standards. The guide (EEA, 2008) was a two-pager document that established the rationale and advantages of the forum (captured in the previous section), the format, key questions for speakers, the role of discussants, the tone of discussion, next steps, and language of the forum.

The format was such that the speaker (two on a few cases) was given one hour to present “a well prepared, carefully argued paper” and also outlined the vision (in most cases more than one vision) and “the requirements that are needed to materialize the vision”.

The discussants received the papers a week in advance and evaluated them in terms of clarity and realism of the vision, the strength of the argument and comprehensiveness. It is of course not easy to critique someone’s vision. It is their vision for the country after all! However, to enable the dissemination of the visions to a wider audience, the discussants were given the responsibility (on behalf of the Association) to make sure they were clear, realistic (not dreams) and based on a sound assessment of the past, present and future prospects. It is

testimony to this guidance that the speakers were careful not to present what are commonly described as “day dreaming”, and “farfetched” ideas.

The guidance also established the tone of the discussion that it should be ‘civilized’ where views of all are respected regardless of academic or political position. The guide stated:

*The aim here is not to trash the vision or the argument as such. Rather, it is to identify strengths and weaknesses to enable the presenter to take notes to improve and sharpen his/her argument.*⁵³

The guide did not elaborate on the role of the moderator – the person responsible for ensuring the discussions go as per the guide and handle the heat of the moment. It is an omission but no one we spoke to expressed any major gaps in this regard. The chosen moderators were sufficiently experienced to handle the heat of the moment. By and large, the speakers found this guidance, the key questions in particular, very useful and did their best to adhere to them.

b) Regularity

Regularity is an important feature of any event. When the audience knows the date, time and venue of the event in advance, they are more likely to attend than events that happen on an ad hoc basis. Regular events are pinned in a notebook calendar and with today’s technology these can all be automated with reminders a day before, an hour or even 10 minutes before the event.

⁵³ EEA (2008) Vision 2020 Ethiopia, March 2008, Addis Ababa.

Vision 2020 was scheduled once a month on the last Friday of the month. Regularity was achieved by planning well in advance. Twelve speakers and 12 moderators were identified and secured for the year. The planning aside, the commitment of the speakers and moderators was commendable. If they failed to keep the dates, then changes would have been frequent leading to frustration for the planners as well the audience.

c) *Relevance*

As a rule of thumb, policy makers and implementers attend dialogue forums that are relevant to the issues facing the country now and in the near future. They do not waste their time on matters that have no relevance to the ongoing policy debate. Vision 2020 speakers and the audience are high level experts in their area of specialization. They are extremely busy people with work, family and social life. The fact that this event managed to capture the attention of these *crème de la crème* for such a long time is testimony to the organisers' knowledge of the needs of the audience, and the country in general.

d) *Passion*

Both Vision 2020 and its predecessor 'round table' were organised on the genuine belief that policy makers and implementers would listen to the deliberations, take note of the recommendations and incorporate them into the policy-making process or take the necessary corrective measures where things are not going well. Although members' survey indicated that the majority of vision statements (68% to be precise) were not realized (see Section

2.5.3), members had no hesitation in recommending the continuity of the dialogue forum subscribing to the notion that the organisers were passionate about cultivating a culture of economic policy dialogue which was without precedent.

e) *Diversity/multi-disciplinary*

Imagine, for a moment, if all the speakers of Vision 2020 were economists. Since the root causes of many of our economic problems are social, political, environmental and even historical, it made perfect sense (and makes perfect sense today) for such a forum to accommodate diverse views and be multi-disciplinary. Economists alone would not and could not address these multi-dimensional issues facing the country now and in the future.

f) *Language*

Ethiopia is a multilingual country with over 80 languages. The Federal structure is largely based on language identity. Mother tongue had been adopted as a medium of instruction for early childhood education. Many languages which were not written in the previous regimes have become written either using the Latin alphabet (e.g. Afan Oromo, Afar and Somali) or the *Geez alphabet* from which the Amharic and Tigrigna languages were born.

In view of these developments, there is a growing desire (even pressure) to communicate economic and political ideas in the local languages or at least in Amharic, the lingua franca of Ethiopia. Accordingly, Amharic was rightly adopted as the language of Vision 2020. *Economic Focus*, the mouthpiece of Vision 2020, carried the

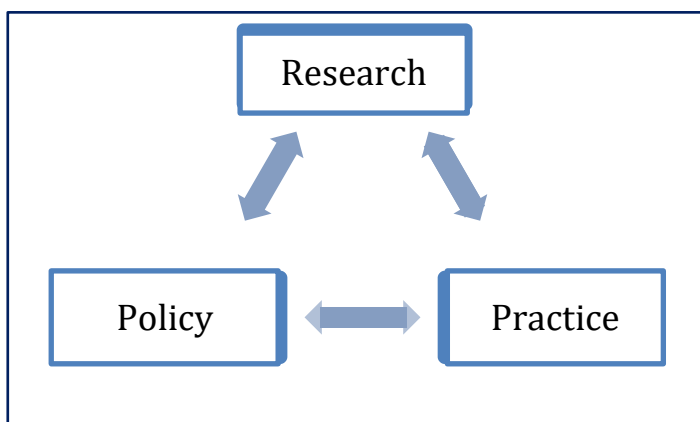
papers in both Amharic and English thereby accommodating for both the local and international readers.

2.5 Synthesis of Vision 2020

2.5.1 Diversity of speakers and topics

The guide had very little to say about how the visionaries were selected. However, retrospectively we can assert that the rule of thumb was to select individuals with vast experience in their area of expertise or academic interest. In both the roundtables and Vision 2020 fora, the Association invited researchers, academics, politicians, policy makers and implementers, the business community and the armed forces. This helped triangulate ideas from at least three major angles – research, policy and practice as illustrated in Figure 2.

Figure 2: The interaction between research, policy and practice



On the occasion of its 25th anniversary in 2017, EEA published a booklet that documented the major events including but not limited to roundtables, Vision 2020, national and international conferences, and general assemblies. These records show that 37 Vision 2020 events were organised from 2003 to 2010. Forty-one visionaries spoke at these events; 37 subject matter experts moderated the events (one per event); and over 70 discussants (at least two per session)⁵⁴ critiqued the visions within the bounds of the guideline which emphasized that discussants' criticism be evidence based and "no trashing of someone's vision".

Each Vision 2020 evening attracted 100-150 attendants composed of policy makers, policy implementers, sector experts and politicians. This brings the total number of the *crème de la crème* of Ethiopia's multi-disciplinary intellectuals that took part in Vision 2020 to over 4700 over the six-year period.⁵⁵

As far as the choice of topics was concerned, the Association did not impose any rules. The speakers were given the freedom to express their vision in a topic of their interest and/or expertise. As Tilahun Teshome, who spoke on "rule of law" testified:

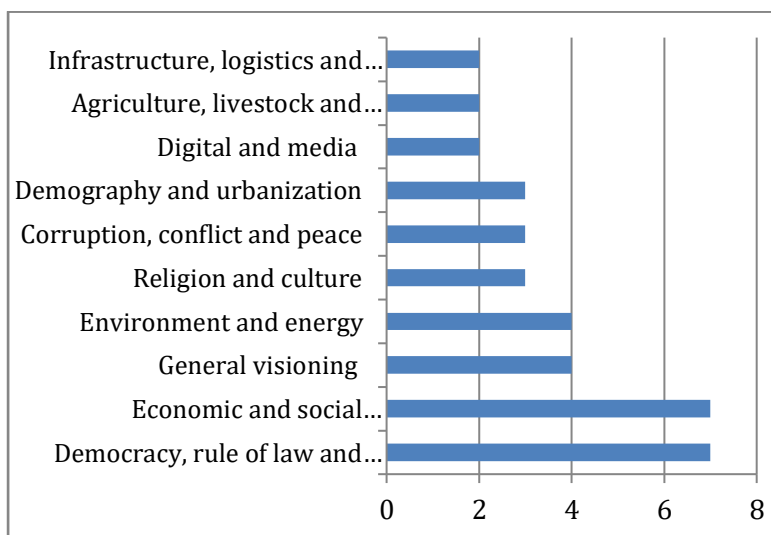
⁵⁴ The discussants were equally visionaries. As a matter of fact, some who served as discussants outlined their own vision (e.g. the late Dr Mulat Demeke) and other discussants were invited back to share their own vision (e.g. Dr Befekadu Degefe and Prof. Berhanu Nega).

⁵⁵ 41 speakers + 37 moderators + 70 discussants + (125 attendants x 37 sessions) = 4773

Thanks are due to the Ethiopian Economics Association for its effort in organising this Vision 2020 Forum and providing us all with the opportunity to say whatever it is that we had to say.⁵⁶

For the purpose of synthesis, the topics are grouped into 10 broad categories (see Figure 3). Fourteen speakers (38%) expressed their vision on issues relating to (i) economic and social development and prosperity (ii) democracy, rule of law and governance.

Figure 3: Distribution of Vision 2020 by major categories



Source: compiled by authors from EEA Vision 2020 records

⁵⁶ <https://eea-et.org/wp-content/uploads/2023/03/Economic-Focus-Vol-6-No-4.pdf>, page 19.

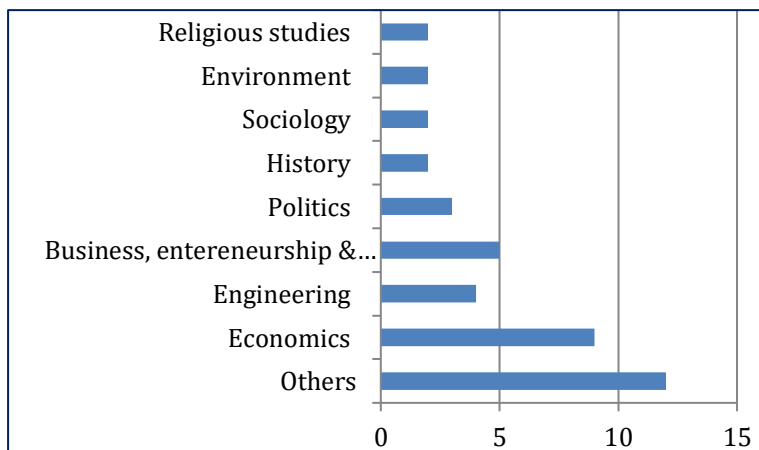
Within the broad category “democracy, rule of law and governance” we find pertinent topics like economic governance, rule of law, political leadership, foreign policy and civil society. These issues continue to dominate the current public concern begging the question: are we anywhere near realizing the visions? Before we turn to this question, let’s look at the academic/professional background of the visionaries.

The first Vision 2020 speaker was Prof. Bahru Zewde, Professor of History at Addis Ababa University. As an association of primarily Economists, one would expect EEA to invite a prominent Economist to set the tone for this highly acclaimed economic policy dialogue. It did not; and this was more by design than accident! Prof. Bahru Zewde has a life time experience in articulating and documenting the lives of Ethiopian visionaries (e.g. leaders, intellectuals, charge de affairs, ambassadors, and advisors to emperors)⁵⁷. The choice was also most appropriate given the objective of Vision 2020 that Ethiopians should have the self-reliance to solve their own problems rather than waiting for God or Government to solve for them.

⁵⁷ Three of Prof Bahru’s works stand out in this regard. First, “*Pioneers of Change in Ethiopia*” analyzed and explained the views and visions of various Ethiopian intellectuals, leaders, ambassadors, and advisors to Emperors to name but a few. Second, *The Ethiopian Delegation to Europe and the Middle East* (1903 E.C.) meticulously documents the journey of the 1903 EC (1910/11) delegation sent by Emperor Menilik II to represent him at the coronation of King Edward VII of the United Kingdom. The third is *A History of Modern Ethiopia 1855 to 1991* which critics praised as not only a political history book but also a book dealing with economic and social events.

What about the other visionaries? The 41 visionaries had 20 different professional backgrounds. Not surprisingly, economics had a slight advantage with nine speakers; engineering had four speakers (civil, mechanical, air craft); and business and entrepreneurship also had four speakers. Three speakers were politicians, political scientists or diplomats. History, sociology and environment had two speakers each. The remaining specializations⁵⁸ had just one speaker each (see Figure 4). Sadly, philosophy was completely absent. This was neither by design nor accident. If Vision 2020 was not abruptly discontinued, one would expect that a philosopher would have been invited sooner than later.

Figure 4: Areas of specialization of Vision 2020 speakers



⁵⁸ These were geography, law, natural science, education, Journalism, Public health, urban development/ planning, agronomy, livestock/pastoralism, and language/literature.

The Association continued to research on economic and social issues but not on democracy, rule of law and governance largely due to the now defunct 2009 CSO law that completely banned non-state actors from advocating about these issues. As clearly stated in Chapter 1 of this volume, the law is the main reason for the discontinuation of Vision 2020.

The law in question was repealed in 2018 but Vision 2020 was never re-started. Members and non-members with good memories of the forum had been asking why it has not re-started. Section 2.7 below addressed this question to some extent.

2.5.2 Convergence of Visions

Over 250 vision statements were generated by the 41 Vision 2020 speakers an average of six visions per speaker. Some discussants (e.g. the late Mulat Demeke) went beyond critiquing and outlined their own vision. It is not surprising that Ethiopia's multi-disciplinary *crème de la crème* intellectuals came up with diverse visions for the country they love. However, analysis and synthesis of these visions, indicated high-level convergence – pointing more or less to the same destination. This convergence is best summarized by the late Prof. Mesfin Woldemariam during his Vision 2020 speech “Wither Ethiopia”: He said:

As different as their professional qualifications may be, those who spoke at this forum before me all agree on one important point: that we cannot continue treading the same beaten path if we are to make any progress at all within the

2.5.3 To what extent have the visions been met?

This is a million-dollar question! In his Vision 2020 speech, Engineer Hailu Shawel asked “Does the present [then] leadership pay heed to the concerns of the people?” He made a brave attempt to answer on behalf of the leadership:

“If one were to analyze if there have been any lessons learnt from the past by the country's leadership, whether in the past thirteen years or the past thirty years, one would find it difficult to speak of with any degree of certainty. The situation in many areas of the country is witness to the fact that the mutual mistrust and misunderstanding between the people and those in power has been on the rise.”⁶²

By way of answering Engineer Hailu's questions in a more systematic way, a survey of Vision 2020 speakers and EEA members was conducted. The speakers were presented with their own visions and asked to indicate to what extent they have been fulfilled. Unfortunately, the responses from speakers were not adequate to warrant any form of analysis but some cases are referred to.

Members were presented with a randomly selected sample of 25 vision statements⁶³ (see Annex 2.1 for the statements) and asked

⁶² <https://eea-et.org/wp-content/uploads/2023/03/Economic-Focus-Vol-6-No-6.pdf>, pages 10-11

⁶³ The reason for the 25 statements based on author's experience that 25

to indicate to what extent the visions have been fulfilled. Members were not given any clue as to the identity of the visionaries. Responses were received from 157 members and only 5% said the visions are fulfilled and 18% said the visions are not fulfilled. Forty-three percent said the visions are unlikely to be fulfilled in the remaining five years whereas 33% said the visions are likely to be fulfilled (see Figure 6).

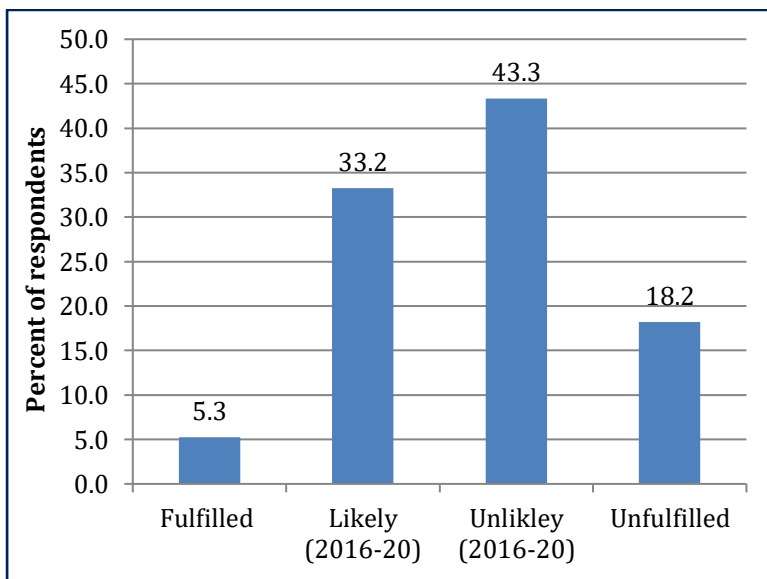
Splitting the data into two (binary analysis) clearly shows that 61.5% of the respondents indicated the visions are not fulfilled or unlikely to be fulfilled. The remaining 38.5% indicated the visions are fulfilled or likely to be fulfilled.

Which visions are fulfilled and which ones are not? In order to answer this question, the visions were ranked based on their score. The top 5 fulfilled and unfulfilled visions are given in Table 2 below. For example, the vision *“Ethiopia’s per capita income will increase from \$100 to \$250”* is fulfilled because currently, Ethiopia’s per capita income stands at \$1027.⁶⁴ The vision *“information and communication technology will turn the world into a village and be a major source of employment”* is fulfilled at least globally, if not nationally.

complex statements were optimal for an individual respondent to handle. The sample frame consisted of about 250 vision statements. Dividing this by 25 gives 10 intervals. Starting from 1, every 10 statement was selected until the sample size was reached.

⁶⁴ <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=ET>
(accessed 30.07.2023)

Figure 6: The extent of Vision 2020 fulfillment – members' perspective (n=157)



An intriguing vision was “*survival will be more important than poverty and famine*” by the late Prof. Mesfin Woldemariam. Respondents indicated that this has turned out to be true, perhaps influenced by the prolonged conflict in many parts of the country at the time of the survey. It is indicative that Ethiopians are indeed worried about survival!

The visions that were not realized included (i) “*officials will use public property for the purpose intended*”; (ii) “*principles of the constitution will be implemented in full*” and (iii) “*democracy and peace will prevail*”; “*freedom of the press will be respected*”.

Table 2: Top 5 fulfilled and not fulfilled visions (by 2020 EC)

Top 5 fulfilled visions	Top 5 unfulfilled visions
Ethiopia's per capita income will increase from \$100 to \$250	Officials will use public property for the purpose intended
Information technology will turn the world into one village	Principles of our Constitution will be implemented in full
Survival will be of more important than poverty and famine	Democracy and peace will prevail; freedom of the press will be respected
Constitutional order and governance	Children will be free of parasites
Communication infrastructure will be big source of job opportunities	Robust national security policy

2.6 Shortcomings

There are two sides to a coin! Vision 2020 had several strong features that made it popular. It also has shortcomings that future Vision 2020 or equivalent forums should take note of.

- i) ***Male dominated and by extension did not give adequate attention to gender issues:*** There was only one female vision speaker and a handful of women moderators among the 41 speakers and the same number of moderators. This is an issue that EEA continues to struggle with. It is being criticized for not (i) employing women as technical experts; (ii) involving adequate numbers of women in panel discussions, and paper presenters. Although this is a reflection of the overall proportion of women

EEA members (less than 20%) and the systemic problem in the education system, EEA can do more to bring women members up to the front through deliberate and systematic coaching and mentoring to motivate women and youth members to play an active role in the affairs of the association.

- ii) **Limited engagement of the youth:** Vision 2020 speakers and moderators were not disaggregated by age but anecdotal evidence suggests that youth were not adequately represented. Given that the future is more about the youth than about the speakers, this is indeed a major gap that any future forum should address.
- iii) **Lack of community participation:** Apart from a few businessmen, the forum was about the intellectuals. This is the mindset that says “we know for the people” that politicians also suffer from. The community [urban and rural poor] also have vision and should have been given the opportunity to express them. One might speculate that one of the reasons the majority of the visions were not met is perhaps they are not matched against community vision.
- iv) **Limited media engagement:** To be fair, the Association made attempts to broadcast the discussion over radio and television but was not given permission by the authorities. Since present-day communication technologies such as social media were not developed, print was the only way the ideas could be disseminated. In this regard Economic Focus, *the* mouthpiece of Vision 2020, became one of the most popular publications of the EEA.

- v) ***Limited or no engagement of development partners:*** Vision 2020 was a truly indigenous forum. It was an Ethiopian forum run by Ethiopians for Ethiopians. This was indeed a noble idea and demonstrated that the founders of the Association were indeed patriotic. This is more a strength than limitation. However, by not giving the opportunity to development partners who had supported the forum and had considerable experience to share, we were the losers!

2.7 Is Vision 2020 type dialogue still relevant?⁶⁵

Vision 2020 ran for six consecutive years from August 2003/04 to November 2009/10. During this period, EEA planned and conducted 37 rounds of Vision 2020. Why was Vision 2020 discontinued?

In 2009, the Government of Ethiopia introduced the now-defunct Charities and Societies law that prohibited or limited policy dialogue and advocacy. As documented in Chapter 1 of this volume, this law had a significant negative impact on EEA's operations, particularly its research and publication activities as well as its hitherto vibrant and engaging public dialogue platforms, such as the Vision 2020. By doing so, the law reduced EEA's financial and institutional capacity and threatened its very existence.

⁶⁵ The author acknowledges the contribution of EEA management and researchers to generating the alternative models of Vision 2020 presented in the section.

Given that the majority of the visions are not met or unlikely to be met, respondents were asked if vision 2020 type forum is still relevant. In other words, is it worth setting visions that are unlikely to be met? An overwhelming majority of 83% responded, 'yes' and provided suggestions on what format it could take. Selected responses are summarized in Box 2.

Box 2: Examples of responses in favour of re-starting Vision 2020 type forum

Example 1: Yes, it should be organised in “Public-Private Partnership (PPP)” form with partners from public and private sectors participating in the organisation of the forum. This may promote public private dialogue in the design of new policies and with fair and ethical playing field in Ethiopia social economic and political endeavors.

Example 2: Yes; for a few years now, the Ethiopian economy has been lurching from one crisis to another. Indeed, the country is facing an unprecedented confluence of economic, financial, political, and humanitarian crises. Only the concerted effort of its political and intellectual class backed by the general populace can pull Ethiopia out of the sorry state in which it finds itself. It is, therefore, imperative that EEA brings together those with workable ideas to share their thoughts (with whoever may be interested in listening) as to how best the country's future should be charted. I would in particular like to see seasoned experts from diverse fields airing their views on what success and progress would look

like in an economy severely affected by forex crunch, high inflation, heavy dependence on humanitarian actors, social dislocation, and political apathy. As Winston Churchill is reputed to have said, "Never let a good crisis go to waste". In short, although it may seem paradoxical, the time is opportune for initiating a Vision 2020 type dialogue forum. Thus, if not now, when?

Source: compiled from survey responses

In view of this demand, the Association has no option but to kick start the dialogue forum. But what format should it take? How sensible is it to bring people together and ask them to share their vision when the majority of visions are not fulfilled? In any case, we need to take this opportunity to suggest a more dynamic forum that responds to the needs of a diverse audience as outlined below:

- i) **EEA Talk:** This is based on the globally known TED Talk which has also become prominent in Ethiopia. TED Talk has very high standards. It has moved away from the conventional PowerPoint based presentations. The speakers are of high caliber who hardly use power points, except a few slides to give life to their speech. The length of the speech is less than 20 minutes (18 minutes to be precise) and no questions and answers are allowed within the auditorium but discussions may continue outside the auditorium in a workshop type or in a relaxed mode around tea/coffee or even cocktails.
- ii) **EEA Panel Discussion:** This is the conventional model where up to four experts sit around the table with a moderator. Each panelist may use a few slides to put their message or position

across or one of them may be the lead speaker where the other three are the discussants. It presents an opportunity to showcase 'women only' and 'youth only' panelists.

- iii) **EEA Hard Talk:** This is an entirely new proposition. EEA will identify prominent economists and policy makers from past and present. It will also identify senior members or young members, as appropriate, to conduct the interviews. These are no ordinary interviews! There are lessons to be drawn from the highly acclaimed BBC Hard Talk where powerful questions that test the patience and endurance of the interviewee are asked.

These options require new skills that EEA should develop as an organisation and also help its members acquire new skills to become a new generation of speakers and communicators. The skills required include:

- i) **Focus on dialogue not delivery:** The conventional presentations based on PowerPoint with tens of slides are going out of fashion. They take too much time and consequently leave very little room for dialogue. The new generation of speakers are very articulate; to the point; and present evidence in a concise manner.
- ii) **The power of voice:** Voice is a free gift from nature. Using this natural gift in a way that attracts the audience is no mean task. Through coaching and mentoring, members can improve the use of their voice.
- iii) **Charisma:** Good speakers are both serious and charismatic. They are serious about the subject and topic they are speaking about. They are also charismatic in the sense that they convey

their message through stories and jokes that increase the effectiveness of their message while entertaining the audience.

2.8 Lessons

- i) **Lost opportunity:** The visionaries assembled by Vision 2020 were (are) the *crème de la crème* of multi-disciplinary, multi-profession, educated Ethiopians. As individuals, they have contributed and many continue to contribute to teaching, research, planning, trading, constructing and so on. It is a lost opportunity for Ethiopia not to have used this collective wisdom to advance its development endeavors. That some of these visionaries have passed away makes this loss even greater! Ideally, the 41 speakers and the over 80 discussants could have formed an “Independent Advisory Council” that Alemayehu Seyoum Taffesse envisioned.
- ii) **It is never too late:** An “Independent Council of Economic Advisors” has indeed been established in 2020, six years after Alemayehu outlined his vision. It is also most appropriate that he became its first Chair.
- iii) **Implications for national vision:** Articulating national visions became very common among African countries during the PRSP period (or slightly before). In countries like Nigeria and Tanzania, national visions have been the subject of public

debate and criticism.⁶⁶ In Tanzania, the vision document was widely circulated among citizens who were encouraged to internalize the vision and the strategies to achieve it.⁶⁷ Ethiopia set a national vision of *becoming a middle-income country by 2025*. National vision is best set using a bottom-up process. Vision 2020 type forums are ideal for setting evidence-based national vision.

iv) Implications for national dialogue: At the time of writing this book, Ethiopia has embarked on an unprecedented national dialogue. According to Blunck et al., (2017:21), national dialogues are: “nationally owned political processes aimed at generating consensus among a broad range of national stakeholders in times of deep political crisis, in post-war situations or during far-reaching political transitions”. The Post Apartheid National Reconciliation Commission and the post-genocide National Unity and Reconciliation Commission of Rwanda are the most recent examples of national dialogues. What can Vision 2020 offer the national dialogue? Although it is nearly 20 years since the visions were expressed, they are still relevant and can contribute to agendas for the national dialogue.

⁶⁶ For example, Nigeria’s vision has had critics from Chinedu, and Thaddeus (2010) and Odulukwe (2013)

⁶⁷ The fact that 82% of the Tanzanian population is literate did help (World Bank, 2022)

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CHAPTER 3

EEA: 30 YEARS OF NETWORKING AND PARTNERSHIPS

AMDISSA TESHOME AND DEMIREW GETACHEW

3.1 Networking and Partnership: concepts and principles

3.1.1 The concepts of networking and partnership

In human terms, networking is the action or process of interacting with others to exchange information and develop professional or social contacts.⁶⁸ It is used by different groups in society. Professionals network to widen their circles of acquaintances, access research and employment opportunities, and be aware of developments in their respective fields. Business owners and managers network to develop relationships with people and companies they do business with or compete with. Many colleges

⁶⁸ The non-human side of networking is perhaps computer networking that links several computers to allow them to operate interactively. It is goes without saying that our focus is the human dimension. However, as acknowledged in this short paper on networking and partnership, information communication technologies are playing influential role in facilitating human networking.

and universities provide opportunities for alumni to network with one another and continue to network after leaving the school (Kagan, 2022).

Networking embodies a set of soft skills⁶⁹ that networkers should be equipped with. To begin with, networkers should be sensitive to the norms and cultures of the people they are networking with. This is particularly relevant in a country like Ethiopia, where there is a high degree of ethnic diversity, and each ethnic group demands and deserves to be recognized.

Secondly, communication skills are critical to networking. Communication can be verbal or non-verbal; one-way or two-way or even multiple-way (various communications going on simultaneously). Helped by developments in information and communication technology (ICT), networking has advanced to a level unimaginable only a decade or two ago. The days of 'pen friends' are gone and replaced by social media tools such as LinkedIn, Facebook, X (formerly Twitter), WhatsApp, and other media for instant communication.

Communication devices have become portable allowing us to talk to people anytime and anywhere and to many people at once. We can perform multiple tasks using a single device. Using our mobile

⁶⁹ Soft skills are interpersonal and behavioural skills that help individuals to work well and interact with other people and develop their network. Unlike 'hard' skills, soft skills are more difficult to learn, given their innate nature. They include, but not limited to, communication, teamwork, conflict management, problem solving, adaptability and flexibility. Soft skills are applicable across industries and to any profession (Herrity, 2023).

phones, we can send, receive, speak, listen, write, watch, make and receive payments.

Networking precedes partnership but not all networks lead to partnerships. Partnership is a formal arrangement between two or more parties to work together towards a common goal (Kopp, 2023). In business, the goal is to maximize profits and/or outbid a competitor; in professional associations, like EEA, it is to advance the profession of Economics and maximize members' benefits thereof.

Once a transition is made from networking to partnership, by and large, the same sets of skills as for networking are needed to strengthen and sustain partnerships. For example, good communication skills are important to strengthen and sustain partnerships. Problem-solving and conflict management skills are as relevant to partnership as they are to networking.

3.1.2 The principles of networking and partnership

Principles guide practice at all levels. At a personal level, we all have certain principles that guide us through life – some are negotiable, others are not (like saying “Over my dead body!”). At an institutional level, there are principles that all employees must abide by.⁷⁰ By the same token, networking and partnerships are guided by certain principles as listed below:⁷¹

⁷⁰ During the civil service reform of the 2000s, it became fashionable to post vision, mission, and principles of service delivery on the walls of all government offices including kebeles offices.

⁷¹ These are compiled from various sources and used to assess EEA partnerships adherence to them later in the chapter.

- Align mission, values, goals, and vision.
- Measurable outcomes
- Accountability
- Mutual trust, respect, genuineness, and commitment
- Build on strengths and assets.
- Address felt needs.
- Balance power/equality
- Shared costs, benefits, and credits
- Clear, open, and accessible communication
- Agree upon roles, norms, and procedures.
- Ensure feedback among all stakeholders.

To what extent have EEA and its partners abided by these principles? Later in the chapter, we present a case study of how a longstanding partner views the application of these principles.

3.2 Partnerships in practice

3.2.1 The early days: 'risk takers' or 'opportunity seekers'

The EEA was conceived in 1991 and held its first General Assembly in 1992. These years were known for the end to the 17 years of civil war and formation of the transitional government. The economic, social and institutional situations were uncertain and it was in these uncertain environments that EEA was established with the support of development partners that included the *Friedrich-Ebert-Stiftung* (English: Friedrich Ebert Foundation (FES)), African Capacity Building Foundation (ACBF) and the consortium of donors that included Norwegian Church Aid, the Royal Netherlands Embassy, the Swedish Embassy through SIDA,

the Development Cooperation of Ireland (DCI) and the Ireland Embassy, the British Embassy through DFID (now FCDO), and International Development Research Centre (IDRC) of Canada. With hindsight, these partners may be considered risk takers for supporting a newly born professional association with no track records. However, the environment was equally uncertain for these development organisations and their decision to support EEA was of mutual benefits – chart the unknown waters together!

3.2.2 Types of partners

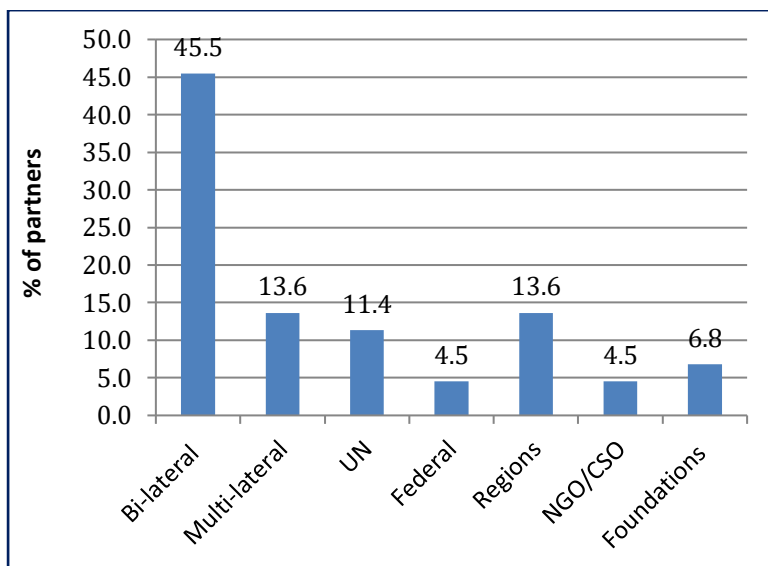
EEA partners fall into seven broad types (Figure 7). Bi-lateral organisations that are government agencies or nonprofit organisations account for 45%. They receive funding from their home country's government (the taxpayer) and use it to implement development programs in developing countries like Ethiopia. Examples of these are the United States Agency for International Development (USAID – from the American People); and the Foreign and Commonwealth Development Organisation (FCDO).⁷²

Multilateral organisations that include several nations acting together account for 14%. Many of the United Nations Organisations fall into this category (e.g. the United Nations Children's Fund - UNICEF; World Food Program - WFP; and Food

⁷² Gomez, B. (2017) <https://borgenproject.org/bilateral-organization/> (accessed 10.02.2024)

and Agriculture Organisation - FAO). Federal government 4.5%; and regional governments account for 14%.

Figure 7: Types of partners (n=38)



3.2.3 How long did the partnerships last and how much are they committed?

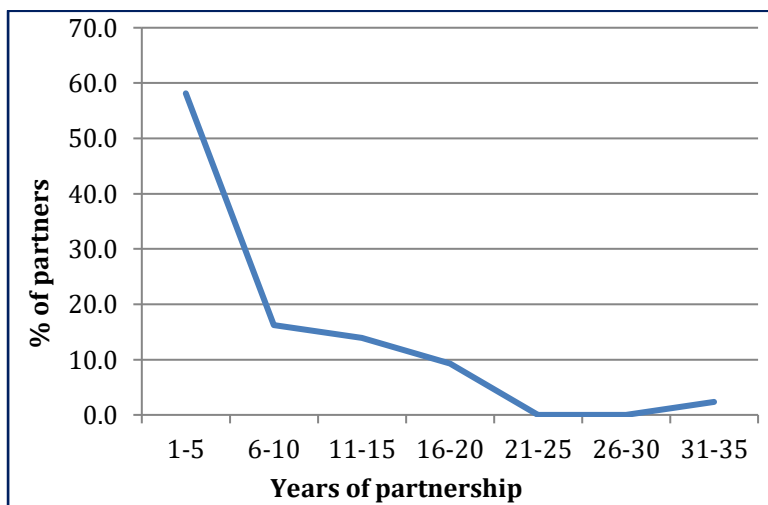
The length of the partnership and the amount of support partners give are good indicators of their commitment to the EEA. But over the years, the commitment had been affected by a number of factors including but not limited to financial constraints (e.g. budget cuts in home countries); global pandemic such as COVID-19; conflict; and the now defunct civil society legal framework.

EEA's partnership had been affected by all these factors at one time or another.

Considering the partnership commitment, it is important to mention an important milestone (see also Chapter 1 of this volume). The Ethiopian Economic Policy Research Institute (EEPRI) was established in 2000 with the aims of conducting independent and evidence-based research and providing capacity building training and advisory services to its stakeholders. EEPRI's establishment would not have been possible without the seed money provided by a number of organisations that shared its objectives. These institutions were the African Capacity Building Foundation (ACBF), Friedrich-Ebert Stiftung (FES), and the consortium of donors listed above. Some of these continued their support until EEPRI was able to stand on its own feet.

As far as length of partnership is concerned, the support of the embassies lasted for about 12 years without interruption. ACBF partnered with EEA for 17 years and FES for 32 years. Overall, nearly 60% of EEA partnerships lasted five years or less and about 20% lasted 6 to 10 years. The remaining 20% of partnership lasted 11 to 25 years. EEA has been fortunate to have a partner, Friedrich Ebert Foundation of Germany, which stayed with EEA since its establishment for about 32 years, and qualified to be a "long-lasting" partner – a partner that has stayed with EEA through thick and thin (see Case 1 dedicated to this partnership).

Figure 8: Years of partnership



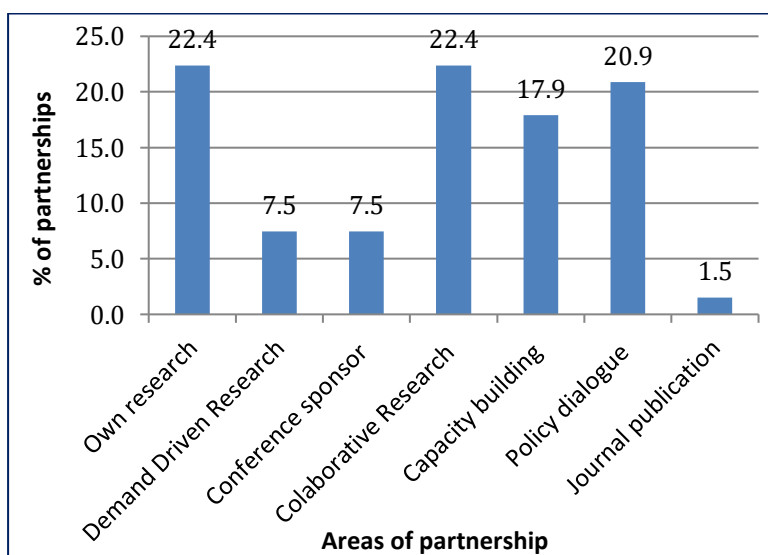
3.2.4 What are the areas of EEA partnerships?

EEA is not a budgeted organisation like government-affiliated research institutes or think tanks. It seeks partnerships to carry out basic activities that contribute to the fulfillment of its vision and mission. In principle and also in practice, organisations partner with EEA because they share its vision and mission and also partnering with EEA gives them greater visibility. In addition, some partner with EEA to get evidence-based information on the socio-economic conditions of the country which is key in their engagement with the Government of Ethiopia.⁷³

⁷³ In this respect, it is important to mention the “Annual Report on the Ethiopian Economy” that provided this much needed insight into the Ethiopian Economy.

Seven broad areas of partnerships are compiled based on EEA historical data. These include conducting research, facilitating regular and ad hoc policy dialogues; organising annual regional conferences in collaboration with EEA regional chapters; and international conferences held in Addis Ababa. As has been depicted in Figure 9, about 45% of partnerships are around research activities further divided into three sub-categories. ‘Own research’ (22%) is a research agenda set by the Association and funded by one or more partners. ‘Collaborative research’ (22%) is a jointly identified research agenda and financed by one or more partners. ‘Demand-driven research’ which accounts for 7% of partnerships is when a partner sets the research agenda and EEA carries out the research on a ‘cost recovery’ basis.

Figure 9: Areas of partnerships



EEA is also known for organising different policy dialogue forums that members and non-members are keen to participate in and contribute to. There are ample testimonies in various chapters of this volume that EEA has lived up to members' and non-members' expectations in this regard. Vision 2020 is an excellent example that has a dedicated chapter in this volume (Chapter 2).

Partners are willing to fund 'policy dialogue' because (i) it showcases research they financed; (ii) it is attended by policy makers, academia and media therefore the most visible event; (iii) it is a platform for networking and perhaps leading to new partnerships. The evidence compiled for this chapter shows that about 21% of partnerships were in this category (Figure 9).

Although it has its own chapter, it is imperative to account a few words about Vision 2020 as an example of partnership. Vision 2020 was one of the most significant policy discussion forums that EEA organised from 2003 to 2010. It aimed to develop a coherent vision for Ethiopia at least one generation ahead.⁷⁴

Friedrich Ebert Foundation is the pioneer in supporting Vision 2020 forums by covering basic expenses and publication of *Economic Focus* which was dedicated to the dissemination of Vision 2020 outputs. Other partners (ACBF and Local consortium of donors) deserve huge credit for sustaining Vision 2020 and other EEA's

⁷⁴ Vision 2020 was preceded by Roundtables Discussions (1997-2002) on contemporary issues but had very little to do with future impact of those contemporary issues.

activities for longer periods. The institutional support by these partners gave EEA leverage to cover its operating expenses and overhead costs. Apart from the Vision 2020 forum, partners supported workshops to disseminate research findings and public lectures, political party debates, and discussions on Poverty Reduction Strategy Papers (PRSP).

'Capacity building' in the form of short-term training for members and support to higher learning institutions attracted about 17% of partnerships. Over the years, about 7% of EEA partners have supported conferences. For example, the International Policy Research Institute (IFPRI) was a longstanding sponsor of the international conference on the Ethiopian Economy from 2012 to 2020 (see Case study 2).

The seven activities depicted in Figure 9 above, are grouped into three categories, namely, core support program, collaborative research, and demand-driven research. The partners' commitment to these activities are accounted for as follows:

Core support program activities. Under this category, partners provided institutional support to EEA to enable it carry out the above list of seven activities. The support has lasted from 1 to 5 years. Partners under this category include the African Capacity Building Foundation (ACBF); the Embassies, Bill & Melinda Gate Foundation; the International Development Research Centre (IDRC); European Union; the Open Societies Initiative for East Africa (OSIEA); USAID, the United Nations Agencies (UNDP, UNICEF, and FAO); and Friedrich Evert Stiftung. These institutions

are dedicated partners who share EEA's vision and mission. The financial resources they have committed over the past 18 years (2006-2023) accounted for about 63% of the total financial resources mobilised by EEA from different sources (see Figure 4).

Collaborative research. In this category research institutes and universities that have interest in working with EEA are included. The agenda of collaborative research is set jointly. The partners came from USA and European universities and research institutes who identified EEA because they have confidence in its track records. These included Carleton University, Dublin University, Harvard College, London School of Economics, SOAS University of London, University of BONN, University of California, San Diego, University of Sussex, and Wageningen University. International Institutions with branches in Ethiopia have also collaborated with EEA. Some of these included, the International Food Policy Research Institute, International Growth Centre, International Livestock Research Institute, and World Bank. In general, EEA has been collaborating with different institutions to execute its vision and mission. As shown in Figure 9, over the past 18 years (2006-2023), EEA has been able to mobilise about 15% of its resources through collaborative research.

Examples of collaborative researches are documented in Annex 3.1. include 'Ethiopian Project on Interlinking Insurance with Credit in Agriculture (EPIICA)' (with University of California); 'Demographic dividend: an opportunity for Ethiopia's Transformation' (with Population Reference Bureau and Future Group International); 'Economics of Land Degradation in Ethiopia'

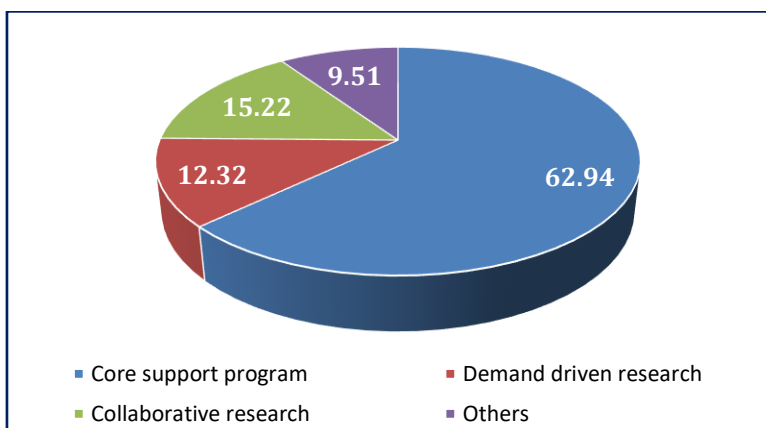
(with Centre for Development Research, University of Bonn); 'Fair Trade, Labor Markets and Women's Economic Empowerment' (with University of Carleton - Canada) and Partnership for Economic Policy (PEP-Kenya); 'Assessing the employment impact of Chinese firms in sub-Saharan Africa'; with SOAS and Renmin University; 'Integrated assessment of the determinants of the Maize yield Gap in Sub-Saharan Africa: towards farm innovation and Enabling policies (IMAGINE)- Ghana and Ethiopia' with Wageningen University; 'Overview of the Farming Sector and Agricultural Policies in Ethiopia' with Economics of Agriculture Unit (JRC.D4) of the JRC.D of the European Commission; 'Early Labor Market Transitions of Women in Low Income African Countries- Ethiopia, Uganda, Kenya and Tanzania'; with University of Sussex; 'Rebuilding, Restitution, Rehabilitation, and Reconstruction of the Post-conflict Ethiopian Economy: Lessons and Policy Actions for Robust Recovery' with the Independent Council of Economic Advisors to the Prime Minister.

Demand-driven research: partners in this category consist of those who have set their research agenda and approached EEA to conduct the research on cost recovery⁷⁵ basis because they have confidence in EEA's capacity, experience and independence. From these partnerships, EEA was able to mobilise about 12% of financial resources from the total mobilised in the last 18 years

⁷⁵ As a non-profit organization, EEA operates on 'cost recovery' basis. That is, it charges its customers exactly what it costs to complete the research. Of course, this does not make it cheap as professional fees can be high.

(see Figure 10). Examples of demand drives research include but are not limited to (i) tax revenue potential study and gap analysis for SNNPR and Somali National Regional State; (ii) pastoral livelihood diversification study for Afar and Somali regional States; (iii) fiscal performance and resource envelope for Amhara, Oromia and Sidama Regions; (iv) economic performance; human development index, rural out-migration, saving and investment dynamics and drivers and costs of inflation for Oromia Regional State.

**Figure 10: Financial Resources by Partner Type (%)
(2006 to 2023)**



Source: Compiled from EEA's annual audited report

3.3 Cases of longstanding partnerships

Longstanding partnerships are key to ensuring the continuity of EEA activities. They provide the 'predictability' of resources necessary to carry out research, policy dialogue, capacity building

and organise regional and international conferences. To illustrate these points and pay tribute to long standing partners, two partners are selected for an in-depth analysis of their partnership with EEA. These are:

Case 1: Friedrich Ebert Foundation (German: *Friedrich-Ebert-Stiftung*)

Case 2: International Food Policy Research Institute (IFPRI)

Case 3: Government Partnership

These cases bring out the commonalities between EEA and the partners as foundations of the partnership. Differences are also highlighted to demonstrate that organisations do not need to have identical characteristics to collaborate. The materials for these cases are obtained from secondary (historical) data complemented by interviews.

Case 1: *Friedrich-Ebert-Stiftung* (FES): Partner since 1991 and to the future

Friedrich-Ebert-Stiftung (English: **Friedrich Ebert Foundation**) a German political foundation associated with, but independent from, the Social Democratic Party (SPD). It was established in 1925 and is named after Friedrich Ebert, Germany's first democratically elected President. FES has headquarters in Bonn and Berlin and has offices and projects in over 100 countries one of which is Ethiopia. It is Germany's oldest organisation to promote social democracy, political education, and to fund students of outstanding intellectual abilities and personalities that share social democratic values (i.e. young talent).

FES opened its office in Ethiopia in 1992 at the time of founding of EEA. It is no surprise then that the two found each other when they were both trying to find their feet in a new economic and political environment.

One point of difference is also apparent. EEA is a 'non-partisan' organisation whereas FES is a political foundation associated with the labor and social democratic movement in Germany. Seen at face value, these attributes are unlikely to lead to instant partnership. However, in this case, the partnership turned out to be long-standing because FES shared EEA's vision and mission. The less obvious value they share is the fact that FES has a mission of promoting "young talents" which EEA is also committed to in its own way. It has institutionalized award schemes for the best BA/BSc, MA/MSc and PhD dissertations from all higher learning institutions including private universities.⁷⁶ These awards are named after its late presidents and/or founding members and are common values that should be further strengthened.

FES has been partnering and continues to partner with EEA in a number of areas including but not limited to, organising international and regional conferences, conducting studies and research, and policy dialogue. For FES, partnership

⁷⁶ The selection process has its own guideline that ensures transparency and rigor. Each year a few months before the General Assembly, invitations are sent to all universities to submit their best dissertations. An internal screening committee is established to evaluate each dissertation and rank the top three in each category. These are presented to the Executive Committee which selects the best in each category and present to the General Assembly for the award.

means not only financing the event but also being part of the planning and conceptualizing as well as actively participating in the events (e.g. giving opening remarks) to be able to evaluate the past and create content for future events. FES has also been flexible in cases when unforeseen situations happen. There are numerous examples of planned regional chapter conferences not being held at the planned time for reasons beyond EEA control thus leading to changes in travel plans with considerable transaction costs.

At every opportunity, EEA acknowledges FES and other partners for their contribution to its birth, growth and maturity. The First Annual Report on the Ethiopian Economy (EEA, 1999/00), acknowledged FES and other partners as follows:

“... we would like to forward our most sincere appreciation to our sponsors, the Friedrich Ebert Stiftung, the Norwegian Embassy, and the Swedish Embassy for sharing the visions of the Association and for trusting it to implement it. We hope our cooperation will continue and expand.”

Annex 3.1 brings together nearly 100 research projects⁷⁷ financed by 46 partners between 1999/2000 and 2023/2024. In this, we find that FES partnered in 18 research projects (19.2%) making it the most single partner followed by DFID/UK Embassy (16%); ACBF (15%); Norway and Sweden (12% each). Overall, an average of four partners collaborated in financing one research project thereby creating partnership not only with EEA but among the donors themselves.

⁷⁷ This excludes co-organizing conferences, workshops and trainings.

In a short survey of partners, FES was asked to rate to what extent networking and partnership principles were adhered⁷⁸ to. FES rated six of the 11 principles as 'moderate adherence'; one as 'high' and four as 'highest'. FES rated none of the principles as not being adhered to. These are by no means conclusive but indicate that both parties need to do more to adhere to the principles. The distribution of the principles along the scale is shown in Table 3.

Table 3: Degree of adherence to networking and partnership principles

3 (Moderate adherence)	4 (High adherence)	5.(Highest adherence)
1. Measurable outcomes	1. Shared costs, benefits and credits	1. Aligned mission, values, goals and vision
2. Build on strengths and assets		2. Accountability
3. Address felt needs		3. Mutual trust, respect, genuineness, and commitment
4. Clear, open, and accessible communication		4. Balance power/equality
5. Agree upon roles, norms, and procedures		
6. Ensure feedback among all stakeholders		

⁷⁸ 'Measuring adherence to principles' is a recognized research domain particularly in the teaching and health professions (see Alkharusi, H. A. (2016) and <https://acarepro.abbott.com/articles/gastroenterology/tools-for-the-assessment-of-adherence/> (12.02.24).

Case 2: International Food Policy Research Institute (IFPRI)

The International Food Policy Research Institute (IFPRI) was established in 1975 to provide research-based policy solutions to sustainably reduce poverty and end hunger and malnutrition in developing countries. It operates in more than 60 countries and works with a wide range of partners. In 2004, IFPRI and Ethiopia formalized their relationship via the establishment of the Ethiopia Strategy Support Program (ESSP) to provide direct support to the Government of Ethiopia in the design and implementation of the country's national agricultural development strategy and provides advice on same⁷⁹.

Considering the EEA as a well-established centre of economic thinking, IFPRI (through ESSP) links to the EEA were very informal and tentative for several years. However, this partnership was formalized in 2006. The objective of the partnership has been to help the association with organising its annual conferences and by contributing papers to special sessions at the conferences. This partnership has advanced to include joint research, training, workshop organisation, expert exchange, and joint publications. The IFPRI director, who has been a keynote speaker at different times at the EEA International Conferences, once said:

'It was a pleasure for IFPRI-ESSP2 to participate in and co-host the International Conferences on the Ethiopian Economy with the Ethiopian Economics Association. We look forward to continuing to work with you on research and outreaching activities in the future'⁸⁰.

⁷⁹ Mitch Renkow and Roger Slade, 'An Assessment of IFPRI'S Work in Ethiopia 1995–2010: Ideology, Influence, and Idiosyncrasy', Independent Impact Assessment Report No. 36, June 2013.

⁸⁰ Annual Reports of the Ethiopian Economics Association, Addis Ababa, August 2010

IFPRI's partnership reached at its peak in 2012 when it began co-organising EEA's International Conference on the Ethiopian Economy on annual bases; and began collaborating with EEA in supporting the young economists through research grant⁸¹.

The partnership EEA had with IFPRI had been in multiple areas: collaborative research projects, co-organise conferences and workshops to disseminate their joint or individual research outputs, training programs for young economists, university staff, civil servants, and EEA members. The following are a few examples drawn from Annual Performance report of EEA (various years):

- ***Making Rural Services Work for the Poor:*** The three years project (2008-2010) aimed at improving the governance of service delivery in rural areas to remove bottlenecks to agricultural and rural development, provide more equitable access to rural services, especially for women, and reduces the problems of corruption and inefficiency in rural service provision. The project started in June 2008 and completed in 2009.
- ***Baseline Survey of Rural Towns Electrification (EEPCO):*** The two years project (2007-2008) which was commissioned by the Ethiopian Electric and Power Corporation (EEPCO) aimed at establishing a baseline survey on welfare impacts of rural electrification in 20 towns which had access to electricity service.
- ***Price Dynamics Information and Analysis Hub Formation:*** having a steering committee drawn from the National Bank of Ethiopia, Ethiopia Statistical Service, Ethiopian Grain Marketing Enterprise, Ethiopian Chamber of Commerce and Sectoral

81 Annual Reports of the Ethiopian Economics Association, Addis Ababa, -

Association, International Food Policy Research Institute (IFPRI) and the Ethiopian Economics Association (EEA), EEA & IFPRI formed the hub in 2012 to set up research priority areas, encourage researchers with a small research grant to study major aspects of price dynamics in Ethiopia and contribute to the relevant policy dialogue..

- ***Exploring the Future of Food and Nutrition Security:*** it is a collaborative research project between the University of Bonn-ZEF, LEI-WUR, IFPRI and sixteen other organisations from Europe, Asia, and Latin America to identify determinants and different levels of causality of global and domestic food and nutrition security, and design models and mechanisms to improve the ability of decision makers to foresee and respond to future FNS.
- ***Applied Micro econometrics:*** Ten days of training on Applied Microeconometrics from June 17-24, 2013, to about 34 lecturers and researcher drawn from the Universities of Jimma, Bahir Dar, Mekelle, Adigrat, Haramaya, Hawassa, Addis Ababa, Dire Dawa, Debre Birhan, EEA and Ethiopian Commodity Exchange Authority staff attained the training.
- ***Introduction to GIS, CSPRO, and Efficiency & Productivity Analyses:*** three parallel trainings co-organised from July 25-27, 2018, to about 55 trainees.

Case 3: Partnership with Federal and Regional Governments⁸²

Strictly speaking, the government is in all partnerships, in one way or another, because the works supported by development partners are done for the government. However, federal and regional governments also partner with EEA directly. Government-EEA partnership falls under the 'demand driven' research where federal or regional governments identify the study they want done and sign a Memorandum of Understanding (MoU) with EEA. Accordingly, the first ever partnership with the government was in 2005 when the Ministry of Finance and Economic Development financed a study on "Unit Costing of Major Poverty Oriented Programs".

Almost 18 years passed before another federal ministry, the Ministry of Construction, commissioned a study on "Construction Industry, Employment and Ethiopian Economy" in 2023. The third federal institution to partner with EEA was the Ethiopian Electric and Power Corporation (EEPCO). EEA was asked to conduct "Baseline Survey of Rural Towns Electrification".

From then on, the balance shifted to regional bureaus of finance, economic development and revenue. The following are examples of research/studies conducted for regional bureaus:

Revenue Potential and Gap Analysis of the SNNP Region: SNNPR is the first regional state to forge partnership with EEA in 2010. The Think Tank initiative described the partnership as follows:

"The Southern Nations, Nationalities and People's (SNNP) Regional State is one of the country's resource rich regions. However, its tax revenue is low. As a result, its authorities identified a need to improve

⁸² These partnerships do not include EEA regional chapters which are well documented in Chapter 1 of the book.

its domestic revenue mobilisation capacity. Believing that revenue collection efforts should be guided by sound and credible research, the region's Revenue Authority asked the Ethiopian Economics Association (EEA) to undertake a rigorous study on tax revenue generating potential. The Association undertook a collaborative initiative to improve domestic tax revenue and succeeded in influencing regional policy".⁸³ (emphasis added)

Socio Economic Development in Afar Region: Achievements, Gaps, and Priorities: The rationale for the research was the region's inability to build resilience and as a result it is repeatedly affected by drought and other shocks. In order to reverse the situation, the region has been implementing various development programs that assume the existence of financial, human and material resources. This study was expected to help the region design and implement evidence-based policies, short- and long-term plans to address the overriding development needs.⁸⁴

Revenue Potential of Somali National Regional State: the capacity to raise revenue is a major concern for regional states as they aspire to become self-financing thereby reducing dependence on the Federal Government. The SNNPR revenue potential study has indeed galvanized the demand from other regions including Afar.

⁸³ TTI's Stories of Influence Series (<https://tti.idrc.ca/content/eea-eepr-bolstering-regional-revenue-potential.html>) (accessed 30.03.24)

⁸⁴ Foreword by Dr Tadele Ferede, then President of Ethiopian Economics Association. In Goshu, D. et.al. (2021).

3.4 Lessons from EEA Networking and Partnerships

In summary, for a more robust and dynamic membership-based association, the Ethiopian Economics Association should improve its partnership practice and management. For that purpose, the following strategies need to be followed and implemented:

- **Effective communication.** This entails having in-depth understanding of what the other partner seeks to achieve through the partnership. Some, like FES, are not donors that give the money and take the back seat. They want to provide inputs to the design and implementation of policy dialogues. This should not be construed as “donor influencing the research agenda”.⁸⁵
- **Institutionalize “gendered lens” in all EEA works.** This is not to suggest that EEA does not conduct gender research but to underline that (i) there is no female representation among research staff; (ii) female economists’ engagement in research in general and gender research in particular is very limited; (iii) there is very little or no female representation in policy dialogues (panel discussions in particular); and (iv) women’s voices are hardly heard during discussions at conferences, and even the General Assembly. This must change!
- **Share/disseminate publications strategically.** EEA produces several research outputs in a year and this is one of the

⁸⁵ This is a major concern for EEA members, and they should be re-assured that partnership involves listening to each other and being accommodative .

indicators of being a think tank. However, there is very little effort to compile data on who needs the publications? Who can use the evidence to influence policy? and which partners can be part of the dissemination? This helps the Association disseminate its products more strategically.

- *Strategic partnership plan.* The EEA needs to develop its own strategic partnership plan to pursue and manage strategic partnerships. The plan will provide a clear roadmap to identify potential partners, evaluate existing partnerships, develop strategies to improve quality, and foster collaboration.
- *Maintain independence.* Setting its foundation as a source of independent and professional views on development issues, EEA has emerged as a widely recognized and credible institution both locally and internationally and is making observable impact on policy discourse. Thus, to maintain its respect from its partners, EEA needs to maintain its independence and non-partiality position in its activities.

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PART II :
**EEA's CONTRIBUTION TO
SELECTED THEMES**



CHAPTER 4

POVERTY AND POVERTY REDUCTION

FANTAHUN BELEW

4.1 Poverty Reduction in the Global and Regional Context

Most argue that there is no single universally accepted definition of poverty. However, poverty is mainly defined as the human condition characterized by the sustained deprivation of resources, capabilities, choices, power, and security necessary for an adequate standard of living, and other rights (Goshu, 2013). Poverty encompasses a shortfall in income and consumption, but also low educational achievement, poor health and nutritional outcomes, lack of access to basic services, and a hazardous living environment. In this connection the Oxford Policy Human Index defines poverty in its multiple dimensions. Broadening poverty measurement Oxford Policy Human Index develops and implements "multidimensional" measures of poverty, well-being and inequality. These measures go beyond traditional one-dimensional approaches to poverty measurement, to incorporate other aspects such as health, education, living standards, quality

of work and more innovative dimensions⁸⁶.

Thus, the former World Bank president Jim Yong Kim advises that if we hope to tackle poverty “in all its forms everywhere” as the Sustainable Development Goals call for, we must understand and measure poverty in all of its manifestations (World Bank, 2018).

Poverty can also be defined in terms of absolute and relative measures. Absolute poverty compares income against the amount needed to meet basic personal needs, such as food, clothing, and shelter. Relative poverty measures when a person cannot meet a minimum level of living standards, compared to others in the same time and place⁸⁷. The definition of relative poverty varies from one country to another, or from one society to another. As per this measure, there are people living in poverty in rich countries too. Accordingly, poverty prevails all over the world, although its severity varies and is described differently in different countries and institutions. Even when countries experience economic development, the poorest citizens of the richest countries do not always gain an adequate share of the countries' increased wealth which would enable them to move out of poverty.

Cognizant of this fact, governments around the world implemented successive poverty reduction strategies and policies which have gained considerable popularity in the global economic

⁸⁶ <https://www.geh.ox.ac.uk/content/oxford-poverty-human-development-initiative> (accessed Feb 15/2024)

⁸⁷ <https://endpoverty.org/relative-poverty-vs-absolute-poverty/> (accessed July 25/2023)

discourse in the advent of the new millennium. UN member states in September 2000 designed the United Nations Millennium Development Goals (MDGs) which are eight in number.

Specifically, in reducing poverty they agreed to halve the proportion of people whose daily income is less than \$1.25, to achieve full and productive employment, as well as decent work for all, including young people and women and to halve the proportion of individuals suffering from hunger by 2015. It was recognized that all other MDGs targets have direct and indirect contributions to reducing poverty.

Although the implementation of the Millennium Development Goals (MDGs) brought some progress by 2015, it didn't meet its commitments adequately and poverty remains a crucial global challenge driven by emerging additional challenges. Thus, a further process to agree and develop post-2015 development goals was needed, and this gave birth to the Sustainable Development Goals (SDGs). In September 2015, the UN member states adopted the 2030 Development Agenda "Transforming our World", which contained 17 goals and 169 targets, most of which were a continuation and expansion of the MDGs that were never achieved.

In realizing both the MDGs and SDGs, the issue of development finance particularly for developing countries turned out to be a global challenge. In this context, to mobilise the necessary financial resources for developing countries, the international financial institutions (the World Bank and IMF) advocated designing a Poverty Reduction Strategy Paper (PRSP). They put a

precondition to developing countries to design a poverty reduction strategy to mobilise concessional lending and provision of debt relief to highly indebted countries.

Developing countries particularly the heavily indebted countries designed PRSP to articulate their development strategies towards reducing poverty in line with the Millennium Development Goals. Following the endorsement of the PRSP document, the country's development partners accepted it as an overarching framework for their cooperation with the countries. HIPCI debt relief was an outcome of the PRSP document granted by the multilateral and bilateral donors.

The implementation of the stated goals of the Millennium Declaration was agreed to begin on 1st January 2001, and member states agreed to convene such summits every five years to assess the progress towards achieving the MDGs. According to the MDGs monitoring report the poverty rate in the developing world has plummeted from 47 percent to 14 percent in the period between 1990 and 2015 – a 70 percent drop. Moreover, the MDG target of reducing by half extreme global poverty was achieved by 2010 – 5 years before the 2015 deadline (“MDG 1 - Eradicate extreme poverty and hunger - MDG Monitor,” 2017).

During the SDGs implementation period, two assessments were made to evaluate the progress of the global community in achieving their targets. The first Global Sustainable Development Report was made in 2019. The report asserted that for some targets the global community was on track, but for many others the world would need to quicken the pace. The report recognized that

countries have started to incorporate the Goals into national plans and strategies, and many have set up coordinating structures for coherent implementation (Independent Group of Scientists appointed by the Secretary-General, 2019).

Weak economic growth in recent years has also slowed poverty reduction. The SDGs progress report produced in June 2023 points out that slow progress towards the SDGs has made many countries far more vulnerable during the recent wave of crises. It was stated that high income inequality, lack of universal healthcare and inadequate social safety nets left vulnerable groups even more exposed to the noticeable health, social and economic impacts of COVID-19, while unequal gender roles placed an enormous burden on women (Independent Group of Scientists appointed by the Secretary-General, 2023; World Bank, 2022).

The report of the World Bank shows that growth across Sub-Saharan Africa remains sluggish and dragged down by uncertainty in the global economy, the underperformance of the continent's largest economies, high inflation, and a sharp deceleration of investment growth – which is insufficient to reduce extreme poverty. Thus, growth conditions remain insufficient to reduce extreme poverty and boost shared prosperity in the medium to long term. The estimated per capita income growth in Sub-Saharan Africa of 1.0 and 0.6 percent in 2022 and 2023, respectively, is inadequate to have a significant impact on poverty reduction (World Bank, 2023).

Recognizing this fact, with a regional collective action, African Union developed 'Agenda 2063' which is the continent's development blueprint to achieve inclusive and sustainable socio-economic development over a 50-year period. The Continental Agenda 2063 adopted by African Heads of State and Government in May 2013 seeks to deliver on a set of seven development aspirations, each with its own set of goals proposed at moving Africa closer to achieving "The Africa We Want."

The continent aims to achieve this objective through the realization of five ten-year implementation plans. The First Ten-Year Implementation Plan of Agenda 2063, spanning 2014 to 2023, outlines a set of goals, priority areas and targets that the continent aims to achieve at national, regional and continental levels.

According to the Second Continental Progress Report on Agenda 2063, Africa achieved low progress for Aspiration 1 "A prosperous Africa based on inclusive growth and sustainable development" with an overall score of 37% against the 2021 targets. This can be attributed mainly to a decrease in GDP per capita from USD 3,170 in 2019 to USD 2,910 in 2021 and high unemployment rates (AUC and AUDA-NEPAD, 2022). Thus, most progress reports demonstrate that African countries' development trend is moving back and unable to lift citizens out of poverty.

4.2 Poverty Reduction in Ethiopia

Ethiopia is one of the poorest countries in the world where low income and productivity, unsustainable growth process, chronic

poverty, unemployment, and widespread social and economic problems remain characteristic features of the economy (World Bank, 2004). The agrarian-based subsistence economy has been subject to the impact of natural forces which aggravates the level of poverty in the rural areas. When an economy finds itself in such a situation, chronic poverty and vulnerability define life for the majority of the population (Moges, 2013).

Poverty rate serves as an essential indicator of a country's socio-economic well-being and the living conditions of its population. It provides valuable insights into the extent of economic inequality and the effectiveness of poverty alleviation measures. According to the global poverty report, Ethiopia's average poverty rate is 27%. This ranks Ethiopia 71 out of 154 countries. However, the national data shows the poverty rate is 23.1% indicating that 23.1% of the population is living below the poverty line which is the minimum level of income deemed adequate in the country. The low life expectancy, low education opportunities, inadequate access to resources for a decent standard of living such as income and consumption, housing, health, clean water and sanitation, productive potential and other central dimensions of wellbeing and lack of freedom to exercise choice and participate in society defines the poverty rate of Ethiopia ("Poverty Rate by Country 2023," n.d.).

The government recognizes that in the absence of proactive development policies, it is impossible to create an enabling environment for accelerated development and reducing poverty. The World Bank recommends that as the Ethiopian economy is

characterized by severe poverty, undertaking comprehensive reform measures and policy initiatives to move the economy from its impossibility frontier is indispensable (World Bank, 2004). Accordingly, poverty reduction strategies and policies have gained considerable popularity in the policy discourse of the government.

Although the government wishes to reduce poverty, financial resource constraints remain largely one of the significant challenges resulting from the multiple internal and external shocks. Achieving poverty reduction with internal resource capacity alone is a fantasy. As it has been discussed in the foregoing analysis, developing a Poverty Reduction Strategy Paper (PRSP) associated with implementing the MDGs was mandatory for developing countries to mobilise financial resources from the global financial architecture. Countries sought debt relief under the Heavily Indebted Poor Countries Initiative and wished to mobilise concessional financing from the multilateral and bilateral development partners were required to prepare a PRSP. The PRSP document was expected to be endorsed by the Joint Staffs of the World Bank (WB) and the International Monetary Fund (IMF). Once it was approved, it was used as a framework to deal with donors. It has also become a necessary condition for debt relief. This was because PRSPs were intended to assure the international community that the debt relief funds released under HIPC and the donor grants would be used to benefit the poorest members of society (Graziano and Altomonte, 2005).

To reduce poverty, the Ethiopian government has implemented various national development plans since the beginning of the new

millennium. The plans were aligned with the MDGs and SDGs. The first poverty strategy plan named “Sustainable Development and Poverty Reduction Program (SDPRP)” was implemented for three years between 2002/03 – 2004/05. This was followed by the Plan for Accelerated and Sustained Development to End Poverty (PASDEP) implemented during the period 2005/06 - 2009/10 and this was followed by the First Growth and Transformation Plan (GTP I) that was implemented from 2010/11 to 2014/15. The Second Growth and Transformation Plan (GTP II) implemented from 2015/16 to 2019/20 was aimed at maintaining the strong growth averaged 11 percent achieved in GTP I, deepening economic transformation, and aiming to become a lower middle income and carbon-neutral status by 2025.

Subsequent to the GTPs, the Government recognized that the transition of an economy from poverty-stricken to irreversible prosperity requires a long-term time span, the government adopted a long-term perspective plan (the Ten Years Development Plan (TYDP): A Pathway to Prosperity 2021-2030). This ten-year plan was developed on the basis of the Homegrown Economic Reform Program (HGER) agenda, which was developed and implemented with the primary objective of correcting the macroeconomic imbalances created towards the end of 2018. The TYDP envisages an annual average GDP growth rate target of 10% during the period 2020/21-2029/30. This growth rate, if realized and sustained, was considered adequate enough to reduce the level of poverty from 19% in 2020/21 to 7% in 2029/30. As stated in the plan, this is contingent upon various factors including the

efficient utilization of existing capacities and newly created potentials, stable and healthy investment flow to the economy and availability of new capacities in each of the economic sectors (FDRE, 2021).

Citizen's participation was a key consideration in the preparation of the successive development plan documents, including the SDPRP. According to the development plan documents of the government, all the successive plans were formulated with the active participation of the people. It is stated that the government conducted extensive, transparent and inclusive consultations where the feedback from the public in terms of priorities was used as input in the preparation of the development plan documents. Reports assert that the consultations were conducted at Woreda, Regional and Federal levels with the active participation of several stakeholders (FDRE, 2016). For instance, the reports indicated that the formulation of the PASDEP document benefited from two rounds of consultations with civil society, non-government actors, and partners. An initial consultation prior to drafting of the document sought views on priorities in drafting the document, and a second-round consultation sought feedback on the initial draft (MOFED, 2007).

However, various findings of researches witness that these consultations were not adequately provided opportunities to capture views of various stakeholders that could brought new and constructive ideas to the formulated poverty reduction strategies. Most argue that the plan documents depended on secondary data largely from government sources (Teshome, 2006), consultations

were conducted at the final phases of the document preparation and mostly didn't capture the feedback provided by stakeholders. This indicated that the views of many stakeholders, including the civil societies and NGOs were not well captured in the plan documents and had never influenced the plan preparations; rather it was more of consulting on the implementation process. Generally, the research findings have indicated that the members of civil society organisations and the private sector have not played an essential role in providing substantial comments to enrich the documents equally (Haile, 2015). This was more pronounced following the 2005 election outcomes with the introduction of a new CSO law (Graziano and Altomonte, 2005).

The same trend continued in the planning process of the TYDP and public participation was weak. The discussions among officials were confusing as it was difficult to determine whether the government was gathering inputs for the draft or advertising a finalized economic plan. Some prominent Ethiopian scholars underline that their input was intentionally sidelined (Wazza, 2022). On the other hand, scholars recognize that Ethiopia's development plans were not based on documents produced in Washington or by the local World Bank office in return for finance, as happens so often with African countries. They were Ethiopia's plans, often tightly held away from donors until late in the day, making the plans more coherent and costed in spreadsheets, with stretching but achievable milestones all delivered in a slick slide pack (Dercon, 2022).

During the SDPRP period, an annual average economic growth rate of 6.4% was registered. The negative growth (-3.3%) observed in the first years as a result of drought, was reversed in the second and third years of the plan period with growth rates of 11.9% and 10.6%, respectively (MOFED, 2007). During the PASDEP implementation period, an annual average growth rate of 11% was registered (FDRE, 2010). During the implementation of the two Growth and Transformation Plans (GTP I and II), Ethiopia has registered rapid and high economic growth. Based on constant basic prices (2015/2016 base year), Gross Domestic Product (GDP) grew on average by 9.2% per year (FDRE, 2021). Stefan Dercon in his recent book entitled “Gambling on Development, Why Some Countries Win and Others Lose” acknowledges that overall, the fifteen years between 2004 and 2019 were a remarkable period of growth and progress in Ethiopia. He further explained that the drivers of such positive development were a shared commitment to growth and development by those in power, a state that does all it can to deliver on its commitment, and support by committed technocrats willing to experiment and learn (Dercon, 2022). On the other hand, there are concerns about the sustainability of growth observed over the GTP periods. Reflections on the development trends, sustainability and challenges by researchers expressed their concerns in the area of macroeconomic imbalances of heavy state spending; high inflation that the country has been experiencing; and the possible squeezing of the private sector against a backdrop of state-dominated management of the economy in key areas, such as big construction and metal/engineering works as well as other major

projects, including the many large-scale sugar industries currently being set up by the government. In other words, expanded state monopoly and increasing centralization of economic activity have affected the potential role that the private sector can play in economic development (Rahmato, et al., 2014).

Over a fifteen years period, the headcount poverty rate declined by about 48.4 percent from 45.5% in 2000 to 23.5 percent in 2016 (FDRE, 2018). According to the last conducted Household and Income and Consumption Expenditure Survey report, between 2010/11 and 2015/16 about 5.3 million people were lifted out of poverty. Poverty gap and poverty severity indices have respectively declined from 10.1% and 3.9% in 2000 to 3.7% and 1.4% in 2016. Poverty is predominantly a rural phenomenon in Ethiopia. While urban headcount poverty declined from 36.9% in 2000 to 14.8% in 2016 rural poverty only declined from 45.4% to 25.6% in the same period (UNDP Ethiopia, 2018). Non-monetary dimensions of welfare improved significantly, as such basic services as education, health, and access to water and sanitation substantially expanded, although generally still remain at a low level.

A study conducted on rural poverty reduction in Ethiopia pointed out that depth and severity of poverty were considerably reduced between 2004 and 2009, leading to reduction of relative poverty between the poor and the nonpoor. The likelihood of households to be poor was reduced suggesting that they were escaping from poverty. Determinants of poverty status in rural Ethiopia between 2004 and 2009 were household size, marital status, livestock holding, farming occupation, life status, social network, regional

dummies, and other omitted idiosyncratic and covariate shocks (Goshu, 2013).

Ethiopia's agricultural sector has recorded remarkable rapid growth in the last decade and was the major driver of poverty reduction. Growth in agriculture was particularly inclusive and contributed significantly to poverty reduction. Ethiopia has a rural, agricultural-based labor force: more than four out of every five Ethiopians live in rural areas and are engaged in small-holder agricultural production. Poverty fell fastest when and where growth in agricultural output is the highest. Poverty was reduced by 0.9% which implies that agricultural growth caused reductions in poverty of 4.0% per year on average post 2005 and 1.1% per year between 2000 and 2005 (World Bank Group, 2015).

In the current changing world, maintaining such gains in poverty reduction appears to be a major challenge as adverse unanticipated shocks increase the risk of vulnerability and therefore impede the progress made in poverty reduction. Accordingly, in recent years, Ethiopia has faced multiple shocks, emerging from within the country and from the global economy. Beginning with the COVID-19 pandemic that started in early 2020, followed by the conflict in Northern Ethiopia, continuing with the drought in southern Ethiopia, the Ukraine conflict starting in February 2022 and a sharp drop in external financing during 2020-22, primarily driven by official development assistance (ODA), these shocks have led to slowing growth and development, supply disruptions, humanitarian crises, and heightened food insecurity (UNDP, 2022).

The UNDP report shows that the conflict has already adversely impacted GDP growth and poverty reduction, eroded fiscal buffers, and created uncertainty – and the longer it remains unresolved, the greater will be the ‘tax’ that it imposes on Ethiopia’s development prospects, including progress towards the SDGs (Mekasha and Tarp, 2021). The UNDP study indicates that poverty has risen in Ethiopia due to the shocks and the rising cost of living, especially food. Rising poverty has impacted urban and war-affected areas the most, with significant variations among regions. The study shows that rates of poverty (headcount ratio) have increased in all regions compared to 2015/16 (UNDP, 2022).

In its TYDP the government of Ethiopia acknowledges that in recent years the economy has encountered several challenges in terms of sustaining the growth and making all citizens benefit from the growth proceeds equitably. The major challenges spelt out in the document include failure to maintain the previous growth rate and ensure quality economic growth: external debt distress; imbalance between domestic savings and investment, challenges to stabilize inflation, rise in unemployment, sluggish structural transformation and weak sectoral linkages, low export earnings, poor capacity to mobilise domestic resources, limited accessibility of financial institutions, and limited government capacity and widespread malpractices. (FDRE, 2021).

4.3 EEA's Roles and Contributions to the Poverty Reduction Agenda

EEA and its research wing EEPRI conduct research on various issues contributing to the development of the Ethiopian economy. It has also organised conferences, workshops, public meetings and roundtable discussions primarily to enrich and disseminate research outputs to different stakeholders and use these platforms to exchange ideas, comments and suggestions.

4.3.1 Vision 2020⁸⁸ Dialogue Forum on Poverty and Poverty Reduction

Building on the experiences of the roundtable discussion series, the Ethiopian Economic Association has been conducting a monthly discussion forum through the platform entitled 'Vision 2020' in early 2000. The forum hosted prominent individuals with different backgrounds with the opportunity to share their personal perspectives on Ethiopia's future. A series of presentations were delivered in the forum followed by respective in-depth discussions. The Vision 2020 platform provided several opportunities to have discussions on the Ethiopian poverty reduction agenda and its development process as well as on the content and progress of the Poverty Reduction Strategy Program (PRSP) of the country.

⁸⁸ For an in-depth analysis of Vision 2020 proceedings, see Chapter 2 of this book.

The Vision 2020 platform benefitted from the research and perspectives of various scholars, policymakers and practitioners. One instance that is worth mentioning is a public dialogue on the outlook of⁸⁹ Ethiopia's prospect of meeting the Millennium Development Goals (MDGs) by the year 2015 in one of the sessions held at the Vision 2020 forum. The platform then provided an opportunity for participants to discuss issues and raise questions. The paper presented on this forum was published in the EEA's Economic Focus Vol. 10 No 2 both in Amharic and English (Adem, n.d.). Moreover, the paper was critically reviewed by two prominent scholars and widely discussed by conference participants.

The paper covers a range of issues including the historical background and nature of MGDs as well as challenges and opportunities for implementation. The content of the paper consists of the origin and nature of the MDGs and Poverty Reduction Strategies, the link between the MDGs and Ethiopia's Development Plans, Policies, Strategies and Programs, Ethiopia's past achievements and its future orientation in implementing the MDGs, the nature of the pro-poor growth and sources of achievements in the rural areas as well as the expected opportunities and challenges of the country to achieve the MDGs by 2015. The paper highlighted the historical background for developing the MDGs by the UN member states.

⁸⁹The paper was written and delivered by Getachew Adem who was the Head of the Development Planning Department of the then Ministry of Finance and Economic Development. He recently got his PhD from the Peking University and he is currently advisor in the Office of the Prime Minister in a State Minister position.

The presenter stressed that the Ethiopian government recognized that the MDGs were aligned with Ethiopia's national development policy, strategy and program framework and with the various medium-term and long-term programs designed to implement the policy, strategy and program framework. While Ethiopia is one of the 189 countries that are signatories to the implementation of the MDGs, significant activities toward implementing these goals started with the introduction of poverty reduction strategies. The paper has also provided detailed information on the design of the Sustainable Development and Poverty Reduction Strategy (SDPRP) and the extent of public participation.

On the issue of the prospects of Ethiopia in attaining the MDGs by 2015, which is the theme of the discussion forum, the view expressed in the paper was boldly optimistic. The presenter justified his optimistic view indirectly by describing the opportunities Ethiopia had and the challenges the country could face in attaining the MDGs by 2015. He stressed that the achievements made during the SDPRP period in enhancing economic growth and poverty reduction, strengthening human resource development, speeding up sustainable growth and development through the protection of environmental and natural resource base, strengthening external economic development cooperation demonstrated the country's capacity in attaining the MDGs by the intended period. The paper put a strong trust that the process so far has enabled Ethiopia to create the conditions for speeding up the steps to be taken in the future.

Two prominent scholars critically reviewed the paper and the presentation and comments provided by the participants of the forum. The first reviewer ⁹⁰ viewed the paper as optimistic on the prospects of realizing the MDGs as it overlooked the inherent weaknesses and challenges to meet the expected goals by the due date. He found the paper full of advocating the rosy situations and ignored the ubiquitous weaknesses prevailing on the ground, potentially hindering the implementation of the MDGs. In addition, the critic further pointed out that the paper disregards a number of reasons recognized by implementer countries affecting the realization of MDGs. Moreover, it is indicated that the relationship between the MDGs and PRSP are not smooth as presented by paper as MDGs are a UN program and PRSP is advocated by the IMF and World Bank. He also expressed his concern in recognizing the agricultural focused growth model capability in reducing poverty and promoting growth. He explained that as Ethiopia's agricultural productivity is very low, focusing on the industrial sector to attain sustainable and visible growth and reducing poverty is indispensable. The low attention given to the private sector is another deterrent factor in moving the economy ahead. He also noted that the achievements listed in enhancing human resource development over the SDPRP period were exaggerated and there is no guarantee to keep on the current trend in the remaining long years. Finally, he indicated that the paper failed to mention the issue of

⁹⁰ The first reviewer was Ato Yabework Haile worked in different institutions as Director level in Ethiopia and Uganda including Action-Aid Ethiopia and was Program Director of ACORD

implementation capacity and the role of good governance in implementing the MDGs which is a visible deterrent case in Ethiopia. The second reviewer⁹¹, on the other hand, focused on the MDGs and largely concurs with the first reviewer's views regarding achievements in promoting human resource development including the expansion of education and health services and provision of potable water. However, several factors have contributed to low quality and inefficient education. These include but not limited to below standard teachers-student ratio, classrooms-student ratio (class size), grade repetition rate, and students drop out ratio. Moreover, low teachers' skills, poor education facilities and services, such as shortage of books, libraries, water and sanitation facilities, are not considered in paper.

More significantly, in discussion the sources of growth and poverty reduction, the paper disregarded low agricultural productivity and challenges in the rural-urban migration. The challenges in the Ethiopian foreign economic cooperation were not dealt with in the presentation. These are the country's low absorbing capacity, poor quality of aid, and low aid management. He stressed that these and other related factors have to be dealt with as important challenges in the prospects of implementing the MDGs in Ethiopia.

Conference participants have also promoted their comments on the presentation. One major critical comment provided was about

⁹¹ The second reviewer was Degenet Abebaw was a researcher in the EEA/EEPRI

the quality of data that the presenter utilized in his analysis to make his case. The comment was also supplemented that providing focus on the industrial sector to bring tangible growth and poverty reduction is very essential. Certain views, however, strongly argued against the idea of giving more weight to the industrial sector vis-vis agriculture. Participants have concurred with Getachew regarding giving priority to the agriculture sector in order to bring sustainable and inclusive growth as well as poverty reduction in Ethiopia. Emphasis has been given by participants that agriculture is still the driving sector in the economy, but providing emphasis to integrate the agricultural sector with industry has to be appreciated.

As illustrated in the above discourse, Vision 2020 forum was an important venue for EEA to bring prominent scholars, practitioners, government officials and other concerned bodies to discuss and contribute to the poverty reduction agenda of the government. However, there was a concern by participants regarding the relationship between the government and the EEA Vision 2020 forum. In this regard participants were interested to know how much the government is benefiting from the Vision 2020 forum and other EEA deliberations in designing government policies, strategies and development plans. Queries were promoted to understand whether the government has the appetite to use Vision 2020 forum outputs and other EEA policy researches and studies. Building on Chapter 2 of this book, EEA might consider assessing the Vision 20 and EEA's overall impacts on the government policy formulation and implementation.

4.3.2 Public dialogue forums and paper presentations

Organising different discussion forums including workshops and conferences, public lectures and other similar events on contemporary socio-economic issues is one of the objectives of the Ethiopian Economics Association. EEA has been successful in organising several public forums where economic issues have been discussed extensively. Likewise, organising workshops, conferences and public lectures on poverty and government poverty reduction agenda, particularly in designing Poverty Reduction Strategy Papers were EEA's prominent tasks from the beginning. The following were some of the activities undertaken in early 2000.

A paper was presented on preliminary observations on the PRSP process in November 2001⁹² from Addis Ababa University in a public dialog forum organised by EEA. The presentation was published in Economic Focus Journal Vol 5 no 2 in July-August 2002 (Woldehanna, 2002). The presenter highlighted the general concerns of the public on the effectiveness of the PRSP process and design, provided background and context of the PRSP process in Ethiopia, and highlighted lessons learned from the process. While his presentation was delivered in the early period of the PRSP design, it was an important opportunity to learn and

⁹² The paper was presented by Jelal Abdu Latif, closely engaged in the Ethiopian PRSP document development process. He was part of the Technical Committee organized to conduct consultation at Federal and Regional level. He also involved in the drafting process.

exchange views about its origin, objectives and content. It promoted public engagement in the consultation process. He raised critical issues such as the concerns of all stakeholders' engagement in the poverty reduction agenda of the government, who lead the process of designing the PRSP, who produces the document, who is consulted, how the final document is presented, and what are the lessons gained so far (Woldehanna, 2002).

On the same issue of the Economic Focus Journal, an article on PRSP and public Participation Experiences in Ethiopia was published⁹³ (Woldehanna, 2002). This article was issued in Amharic to be accessed by a broader reader. The writer focused on the PRSP design process and indicated the strengths and weaknesses of the government in conducting public participation in the process. He commended the government's effort in establishing governance structure to lead the consultation process. He did a comparative analysis of how the Ethiopian consultation process matches and deviates from the Kenyan experience (Woldehanna, 2002.)

He stressed that although firm commitment was observed from the government, the process was characterized by visible weaknesses. The sole responsibility of the government to lead the process hinders the participation and contribution of CSOs and the private sector. Woredas covered in the consultation were limited and there was lack of clear transparency in the process. However,

⁹³ It was written by Yohannes Mekonen from EEA/EEPRI

he admitted that CSO and professional associations' participation was encouraging. Addis Ababa Chamber of Commerce, Ethiopian Labor Confederation, EEA, Forum for Social Studies and Pastoralists Forum participated in organising their respective consultation forum to contribute to the drafting of the PRSP document.

He further noted that although the aforementioned organisations conducted a range of consultation forums, discussions were not supported by researched papers. The discussions were confined to sectoral interest and overlooked national and global issues. This makes their contributions less relevant to policy and strategy recommendations. The paper stressed that given the opportunity they had granted, the non-government organisations failed to reveal their role in advocacy, and strongly demonstrate their position as a development partner of the country.

Moreover, EEA/EERPI in collaboration with Forum for Social Studies organised a two-day experience-sharing workshop on the PRSP process on September 13-15/2001. The presenters were from Kenya, Tanzania and Uganda representing governments, civil society institutions and the media presented papers about the PRSP process in their respective countries. The objective of the workshop was to draw lessons and best practices on the PRSP process, content and monitoring and evaluation mechanisms lay in neighborhood East African countries. Short version of their papers was published in the EEA Economic Focus vol.4. no 3 December-January 2002 issue. The following nine papers were presented on the poverty reduction efforts of the three countries

(Woldehanna, 2002).

1. Poverty Reduction Strategy Paper Process and Participatory Framework Adopted in Kenya. Presented by Katherine Chatri Muoki from Ministry of Finance and Planning of Kenya,
2. PRSP Process and the Participatory Frameworks Adopted by the Government of Tanzania, Lessons and Experiences from Tanzania presented by Anna Mwasha, Director of the Secretariat for Poverty Reduction.
3. The PRSP Process and the Participatory Framework in Uganda, presented by Fred Matovu, Lecturer at the Makerere University Institute of Economics Uganda.
4. The PRSP Process: Setting up the Framework Lessons and Experiences from Tanzania, presented by Vincent Leyaro from Economic and Social Research Foundation (ESRF)⁹⁴ of Tanzania.
5. Political and Institutional Sources of a Successful PRSP Process and Participatory Framework, using Ugandan Lenses to Understand the Ethiopian Reality, Presented by Andrew Mujuni Mwenda, Chief Reporter -the Monitor Uganda
6. A Paper on the Poverty Reduction Strategy Paper (PRSP) Process and the Participatory Framework in Uganda

⁹⁴ The Economic and Social Research Foundation (ESRF) is an independent policy research tank established in Tanzania for the purposes of undertaking research and providing evidence to support economic management process in Tanzania

presented by Eric Mukasa, Ministry of Finance, Planning and Economic Development Uganda.

7. The Participation of Civil Society Organisations in the Poverty Reduction Strategy in Kenya and its Effectiveness presented by Mary Wandia, Program Officer, African Women's Development and Communication Network.
8. Civil Society Participation in PRSP, Tanzanian Experience, presented by C.M.M. Kajege
9. The PRSP process and the Participatory Framework: The Case of Uganda. Presented by Monica Naggaga, Program Officer, OXFAM GB Uganda.

Apparently, most presenters focused largely on the process, content and participatory framework of the PRSP design in their respective countries. The overriding objective of the forum was to draw lessons for the design of the Ethiopian PRSP. While the PRSP in general and the underlying process that makes the strategy successful were rather new to the Ethiopian policy-making process, all presentations were timely and instrumental in providing invaluable inputs in designing the country's PRSP. The presenters highlighted the major principles of the PRSP that included giving voice to the poor, participation and ownership, transparency, openness and accountability. The following were the principal lessons drawn from the presenters in the process of participation.

- **Broad based participation** including government, the private sector, CSOs, local and international NGOs, community-based organisations, professional societies, trade unions at all levels is mandatory in the designing process,
- **Inclusiveness**: ensuring the participation of the vulnerable groups such as the poor, persons living with disability, to be consulted without discrimination;
- **Participation**: ensuring that all who attended consultation meetings were given equal opportunity to voice their concerns and to be heard.
- **Comprehensives**: ensuring that the extent of coverage was significantly representative, incorporating all corners and sectors of the country with a depth that provided opportunity for all to participate.

The presenters also stressed the need to have a strong governance structure to institutionalize participation of all stakeholders to conduct fruitful consultation. This has to stretch from national, regional and local level with wider participation.

Although the presenters highlighted their respective country experiences, they noted that the PRSP process varies from country to country depending on the initial conditions and the social and political forces at play. Nonetheless there are commonalities in some of the elements of the process.

Presenters noted that CSOs were involved at all levels of the consultations from the national to the community levels. Moreover, they stressed that the capacity of civil societies to

influence the policy-making process varies from country to country, though it is critical.

Overall, an important lesson gained from the PRSP preparation process is the appreciation of the value of multi-stakeholder partnerships in evolving strategic national development policies. The presenters noted that the partnerships forged between the government, the private sector, and civil society organisations were key to the successful conclusion of the entire exercise. These were demonstrated through the combination of presenters in the forum. They were from the government, academia, CSO, media and NGOs. All presenters' views were focused on their background and stressed the significance of their representation in the process of designing the PRSP in their countries.

Designing of the monitoring and evaluation strategy was the other area provided emphasis by the presenters. Both macroeconomic and poverty indicators have been designed to monitor progress towards poverty reduction. Monitorable indicators of poverty have been designed through a consultative process at the local government level as well as consultations with donors. In addition, they advised to use verities of monitoring techniques, such as technical assessments of project/program performance, statistical surveys and more participatory methods.

EEA/EEPRI public lectures in the early 2020s addressed critical poverty reduction issues. For instance, the public lecture entitled "Insurance against poverty: lessons for Ethiopia" organised in

2003 and delivered by Stefan Dercon,⁹⁵ which was followed by contributions from a panel of experts including Neway Gebre-Ab⁹⁶ and Prof. Mesfin Wolde Mariam (EEA, 2004).

EEE published 5 papers in the Ethiopian Journal of Economics Special Issue on Dynamics of Poverty and Wellbeing in Ethiopia Volume XXV Number 2 October 2016. A brief synopsis is given below:

- The first paper examined changes in consumption and consumption-based poverty, and compares these to changes in an index of nonmonetary aspects of wellbeing.
- The second paper similarly examined the dynamics of poverty by analyzing changes in poverty status based on annual consumption per adult equivalent and household asset ownership (EEA, 2016).
- The third paper examined four measures of food security: calories and dietary diversity (consumption-based) and whether or not food insecurity was experienced in any month and if any actions were taken in response (experience based).
- The fourth paper in this special issue examined the dynamics of undernutrition among children living in rural and small-town Ethiopia.

⁹⁵ Director of WIDER at the time and well known to EEA members. He presented papers at the IFPRI sponsored plenary sessions for several years of the international conferences (see Case 2 in Chapter 3),

⁹⁶ Chief economic advisor to the Prime Minister of Ethiopia

- The final paper included in this special issue uses only the first wave of the ESS data but adds to the literature on wellbeing dynamics in Ethiopia through its findings on seasonal wellbeing and income generation. Specifically, this paper explores the role non-farm enterprises (NFEs) play in seasonal income generation, consumption smoothing, and risk mitigation (EEA, 2016).

Ethiopian Journal of Economics Volume XXX Number 1 April 2021 presents a study on Multidimensional Poverty and Inequality in Urban Ethiopia (Belete, 2021). This study aims to analyze Ethiopia's urban multidimensional and monetary poverty and inequality levels, their sources, links to the macro-context, constraints, opportunities and policy issues. Multidimensional poverty and inequality indices use four dimensions, namely, education, health, living standards and monetary poverty, represented by twelve indicators relevant to Ethiopia's contexts and yet related to the literature and SDGs (Getachew 2021).

Professional support & guidance have also been provided in facilitating the involvement of civil society groups in poverty reduction efforts in the country including the preparation of comments on the Annual Progress Report of the first PRSP and input for the second PRSP (EEA 2006).

4.3.3 Training on PRSP

To support the government initiative to develop the country's Poverty reduction strategy paper, EEA has designed PRSP Advocacy, Training and Civil Society Participation Enhancing

Project”. The project was implemented under the management of the EEPRI. EEA/EEPRI consolidated the PRSP project activities including the results of the various consultation meetings and submitted the summary report to the Government PRSP Secretariat.

In doing these five training manuals on five policy topics related to poverty and the PRSP were prepared and used in the provision of training for journalists, civil society representatives, and parliamentarians. In this respect, a member of the EEA executive committee and the research staff of EEA/EEPRI with consultants produced the manuals. The manuals, published in Amharic were also distributed in public schools throughout the country through the Ministry of Education (EEA, 2002). The training documents were very wide, professional and prepared in Amharic which is not a common case. It is possible to say that they were the pioneer documents written in Amharic attempting to explain basic economic concepts in Amharic.

One of these training materials was prepared by Dr. Befekadu Degefe entitled “Basic Economic Theory and Concepts”. The document covers a range of basic and specific micro and macro issues including basic economic theory and concept, production and economic growth, poverty reduction and its implementation instruments, monetary and fiscal policies, foreign trade and balance of payment and foreign aid (Degefe, 2001).

The second document was prepared by Dr. Wolday Amha entitled “Poverty Situation in Ethiopia”. It was prepared for the same purpose and covers theories and concepts of poverty,

measurement of poverty analysis, the concept of poverty line, measurement and poverty situation in Ethiopia, the extent of poverty in the rural and urban areas; poverty reduction triggers and implementation mechanisms, causes of poverty, determinants of poverty in Ethiopia, challenges of poverty, poverty reduction policies, strategies and programs implementation mechanisms; identification of poor, participation of stakeholders, decentralization, participation, monitoring and evaluation (Amha, 2001).

The third PRSP training document was prepared by Tiruwork Tizazu entitled "Budget Preparation and Finance in Ethiopia". The document details the relationship between government budget and poverty reduction. It defines budget and highlights the significance of budget in poverty reduction. Her paper covers the areas of budgeting in Ethiopia, budget structure including revenue, expenditure and financing. Furthermore, Tiruwork addresses budget allocation, planning and budget, budget calendar, government accounting system and control, budgeting legal framework (constitution, and public financial law), and fiscal decentralization (revenue sharing and regional subsidy). To demonstrate how the budget cycle works on the ground, the presenter shared the process of budget formulation and approval practices in Amhara Regional State Eastern Gojam Zone Awebal Woreda. She highlighted government procurement objectives, principles, including savings, efficiency, and effectiveness, transparency and accountability (Tizazu, 2001).

The fourth training document was written and delivered in the various training forums by Dr Shemelese T/Tsadek on “Good Governance, Economic Development and Poverty Reduction”. The document contains several chapters including democracy and good governance, good governance and economic development, the relationship between good governance and economic development, good governance in developing countries and their development context, poverty in Ethiopia, PRSP design and public participation, basic issues in PRSP design, public participation and coordination governance structure in PRSP design, PRSP design and democracy building. By and large Dr Shemelese’s training document focused on the relationship among democracy, good governance and economic development in the context of PRSP document design (T/Tsadek, 2001).

The fifth training document was prepared by Getahun Taffesse and Said Ali. Their document covers the rationale for developing the PRSP document, how we explain the extent of poverty, the extent of poverty in Ethiopia, the objective, content and design process of the PRSP document, the significance of the PRSP document to Ethiopia and the PRSP document design process. The authors described the rationale behind preparing the PRSP document for developing countries. These are the prevailing poverty intensity in developing countries, failure in the World Bank and IMF Structural Adjustment Program, the case of high debt in developing countries and associated public protest and pressure requesting debt cancellation, and enhanced mutual understanding of the need to alleviate poverty in developing countries (Taffesse and Ali, 2001).

Employing the aforementioned PRSP training documents, EEA organised public consultation meetings on the PRSP, at the Federal and regional levels. Moreover, to disseminate the results of PRSP advocacy and civil society participation project and enable the exchange of ideas among different stakeholders including professionals and Government officials on issues related to poverty reduction, EEA/EEPRI has bought air time from Radio Fana and produced and transmitted a weekly program for three months in cooperation with journalists from Radio Fana (EEA, 2002).

4.3.4 Researches on poverty and poverty reduction

EEA's principal objective is to conduct research works on various issues affecting the Ethiopian economy. It is obvious that all research activities undertaken by the Association have a direct or indirect relation to the issue of poverty reduction and alleviation in Ethiopia. Most research outputs of EEA/EEPRI address poverty in its entirety or in partial. Since the inception of the Association, it has provided several research outputs having critical contributions in designing and implementing the poverty reduction agenda of the government. The following are a few of the research works that are directly related to poverty and poverty reduction.

The role, perception and impact of civil society engagement in poverty reduction in Ethiopia: EEA/EEPRI carried out a study on the Role, Perception and Impact of Civil Society Engagement in Poverty Reduction in Ethiopia in collaboration with the Centre for International Studies, Dublin City University. The study was

implemented in six regions of the country and important lessons were drawn and generated extensive information on the engagement of civil society groups in poverty reduction activities in Ethiopia (EEA, 2005).

Food poverty situation analysis using the food basket approach: This was a collaborative study between EEA and Poverty Action Network of Ethiopia (PANE). It had the objective of investigating the then state of household food security and food poverty and analyzing their determinants in the Amhara region and Addis Ababa. The study was based on an urban household survey in Addis Ababa and a rural household survey in Amhara region. Primary data collection was carried out. The research report was prepared using primary data collected from the household survey. The draft and final reports were prepared and the research findings were presented at the dissemination workshop (EEA, 2011).

Poverty dynamics, health shocks and coping strategies in Ethiopia: This study aimed to investigate the interplay between health shocks and the financial burden of health care, poverty dynamics and the role of coping strategies. The research analyzed the distribution and determinants and welfare implications of health shocks. It provided evidence on the role of health shocks in perpetuating poverty traps. It helps analyze the relationship between health and poverty, and the main conduits through which health shocks lead to impoverishment, and the need for more effective public interventions (EEA, 2011).

A study on unit costing of major poverty-oriented programs of the government: EEA/EERPI carried out a study on Unit Costing of

Major Poverty Oriented Programs of the Government. The study was a collaborative work with the Ministry of Finance and Economic Development, and intended to develop methodologies and estimate unit costs of poverty-oriented programs of the government with special emphasis on agriculture, education, health, roads and water. The study output was instrumental in the public project planning & budgeting process (EEA, 2004). This demonstrates that EEA's close collaboration and cordial relationship with government institutions was strong.

MDGs in Ethiopia: Achievement to-date and issues for consideration beyond 2015: The project reviewed the overall performance of MDG in Ethiopia, and presented the post-2015 development framework. It was a collaborative project with Poverty Action Network of Ethiopia (PANE). The report was prepared and regional and national consultation workshops were conducted.

4.4 Conclusions and Lessons for the Future

4.4.1 Conclusions

EEA and its research wing EEPRI have organised conferences, workshops, public meetings and roundtable discussions on the Ethiopian Poverty Reduction agenda, PRSP development process, content and implementation from the outset. Its engagement in the process was significant as the government's appetite to utilize EEA's outputs and the various contributions of the Association was relatively better. EEA was recognized by the government as a useful instrument in organising public forums on the MDGs, and the national PRSP design process.

EEA was successful in bringing experiences from peer countries in the expected outcomes of the PRSP process and the need to engage civil society and the public at large in the designing process. Relevant experts from Kenya, Tanzania and Uganda representing governments, civil society institutions and the media presented papers about the PRSP process in their respective countries. It was recognized that the experience gained from these countries for Ethiopia was significant.

In the process of developing the country's PRSP document, EEA engaged in organising several trainings. The trainings were supported by detailed and comprehensive training documents written in Amharic. The trainings were conducted by EEA/EEPRI staff and executive committee members. The training documents covered issues ranging from micro and macro-economic, human capital, resource mobilisation and good governance. EEA participated in public consultation meetings on the PRSP, conducted in nine different regions of the country.

The principal objective of EEA is to conduct research on various issues affecting the Ethiopian economy. It is obvious that most research activities undertaken by the Association have a direct or indirect relation to the issue of poverty reduction and alleviation in Ethiopia. The lion's share of research outputs of EEA/EEPRI address poverty in its totality or in partial. Since the inception of the Association, it has provided several research outputs having critical contributions in designing the poverty reduction agenda of the government.

4.5 Lessons Learned and Recommendation

Over the past years, EEA has supported the government poverty reduction agenda through multiple activities. During the early years EEA's contribution in supporting the government poverty reduction agenda particularly in the process of developing the country's PRSP document was significant. That demonstrates how EEA was closely working with the government and bearing the responsibilities of CSOs. Its collaborative work with other CSOs engaged in Ethiopia's development agenda was significant. This was due to EEA's successful efforts in creating a cordial and professional relationship with Government institutions and other CSOs. But its contribution in the country's poverty reduction efforts and working together with other peer institutions in later years has become minimal. Indeed, the implications of the previous Charities and Societies Proclamation could be cited as a deterrent factor in maintaining the positive relationship with the Government institutions.

Moreover, EEA's interventions in all aspects are expected to be pragmatic and supporting the country's development agenda in a concerted manner. This could be gauged from two dimensions: The extent to which EEA's contribution made value addition to design and implementation of poverty reduction and policy and to what extent the government considers EEA's outputs to promote its poverty reduction agenda. Thus, the lessons drawn from its past experiences have to be substantiated in view of these two dimensions.

4.5.1 Global and National Perspective

- Poverty reduction has been recognized as a regional and global agenda over the past years. Accordingly, several global consortiums were created to fight poverty. Several regional and international organisations are engaged to reduce poverty at global and individual country levels. EEA as a prominent think tank institution is expected to contribute and engage in the global poverty reduction agenda. Over the past 30 years, however, there is no evidence showing that EEA has participated in such global forums. Thus, there is a need to engage EEA in regional and global poverty reduction and ultimately poverty alleviation endeavors.
- At the national level, the foregoing discussions exhibit how EEA has engaged in the country's poverty reduction agenda. It is obvious that EEA's activities can influence policymaking only if it can proactively engage policymakers. Hence, EEA has to work hard to engage the Government in its activities and strengthen the collaboration with the Government in the area of economic research, training and consultation. In this regard, having a collaborative and cordial relationship between EEA and the various offices of the Federal Government and the Regional States is imperative. This was demonstrated in the earlier years.

4.5.2 Specific Lessons and Recommendations for EEA

In a retrospective view, EEA can learn the following from its past contribution to the poverty reduction agenda and Ethiopia's PRSP

design process, content and implementation.

- As a think tank organisation consisting of prominent economists as members, engaging in the country's poverty reduction agenda and PRSP design was commendable.
- The smooth working relationship with the government during the early years was instrumental to realize EEA's objectives in contributing to the country's poverty reduction agenda and PRSP document design. This has to be reinstated in a more comprehensive and fruitful manner.
- EEA was successful in working with other local peer institutions such as the Forum Social Studies and Poverty Action Network of Ethiopia (PANE). This allows the Association to mobilise more resources and make complementary contributions. Such earlier experience has to be reviewed and emplaced in the current situation.
- The public lectures and dialogue forums were important events to entertain divergent ideas and views in economic policy options.
- Training documents prepared for the PRSP document design purpose and utilized for consultation forums are living documents for Amharic readers who are interested in understanding economic theories and concepts.
- Overall, EEA's close engagement and working together with the government observed during the Country's PRSP document process was a high time. That makes EEA's contribution significant, visible and fruitful.

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CHAPTER 5

THE ECONOMICS OF PANDEMICS: HIV/AIDS AND COVID-19 IN ETHIOPIA

**ADDIS KASSAHUN MULAT AND
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5.1 Introduction

Ethiopia is Sub-Saharan Africa's second most populous nation with a population of 107 million in 2023⁹⁷. Approximately 65% of Ethiopia's population is under 25 years of age and about 79% of the population resides in rural areas. Ethiopia's health sector is organised in a three-tier health service delivery model. The total health workforce number has reached slightly more than 150, 000 including the Health Extension Workers (HEWs). However, the health professional to population ratio is only 1.2 which is lower than the minimum of 2.3 doctors, nurses and midwives per 1000 population ratio needed to ensure coverage of essential health interventions⁹⁸ and far behind the sustainable development goal

⁹⁷ Central Statistics Authority. Population projections, Population-of-Zones-and-Weredas-Projected-as-of-July-2023

⁹⁸ Ministry of Health (2015). Health Sector Transformation Plan (2015/16-2019/20) retrieved from

(SDG) composite threshold of 4.5 doctors, nurses and midwives per 1000 population⁹⁹. Although the government is increasing its attention to the health sector, the share of public expenditure going to the sector is still way below the 15% target set by the African Union (AU) under the Abuja Declaration (2001).

Ethiopia faced multiple shocks and health emergencies in the last couple of years ranging from locust infestation and cholera, draughts, floods, HIV/AIDS, COVID-19 pandemics and the conflict in the northern part (covering Afar, Amhara and Tigray regions) of the country which concurrently occurred along COVID-19 pandemic that put its impact on social, economic, health, political and other dimensions of the country.

5.2 Conceptual and Historical Perspectives

5.2.1 Pandemics, Epidemics, Endemics: HIV/AIDS & COVID-19

WHO defines pandemics, epidemics, and endemic diseases based on a disease's rate of spread. An *epidemic* is defined as “an outbreak of disease that spreads quickly and affects many

<https://ehia.gov.et/sites/default/files/Resources/HSTP%20Final%20Print%202015-11-27%20Print%20size.pdf>

⁹⁹ World Health Organization (2016). Health Workforce Requirements for Universal Health Coverage and the Sustainable Development Goals. Human Resources for Health Observer Series No 17. Retrieved from <https://apps.who.int/iris/bitstream/handle/10665/250330/9789241511407-eng.pdf>

individuals at the same time.” A *pandemic* is a type of *epidemic* (one with greater range and coverage), an *outbreak of a disease* that occurs over a wide geographic area and affects an exceptionally high proportion of the population. While a *pandemic* may be characterized as a type of *epidemic*, an *epidemic* is not a type of *pandemic*. A disease outbreak is endemic when it is *consistently present but limited to a particular region*.

Pandemics are not new to Ethiopia. According to the renowned historian Professor Richard Pankhurst¹⁰⁰, contrary to the assertion that Ethiopia was too isolated to be affected by international influenza epidemics, there is evidence that the disease reached the country from multiple sources. The first strictly medical account of an Ethiopian influenza epidemic is for the year 1839, and was written by a French physician, Dr. A. Petit, a member of a scientific mission dispatched by King Louis Philippe of France. Later epidemics included an attack of the "Spanish 'flu" of 1918, locally called **Hidar Beshita**, or "**Disease of Hidar**," the name of the Ethiopian month (October-November). The frequency of influenza epidemics in early twentieth-century Addis Ababa is recorded by the notable Georgian physician, Dr. P. Merabashvili, better known as Dr. Merab, who arrived in the capital in 1908 and provides us with a revealing glimpse into the medical situation of the town from which, he says, the pandemic disease was no stranger.

¹⁰⁰ A Historical Note on Influenza in Ethiopia by Richard Pankhurst; 1977, 21:195-200

*“...We know the influenza flu of 1917 which affected many countries around the world. In Ethiopia, this is called the **“HIDAR BESHETA”** which has been one of the highly feared pandemics that caused many deaths and is commemorated unofficially every year in November through cleaning and burning the waste materials...” (KII02)*

*“...there is what we call **“HIDAR SITATEN”** a concept which came from the “1917 influenza pandemic” ... people were **isolating themselves in their homes** because of the highly infectious nature and killer virus. The community is accustomed cleaning their homes inside and its surroundings and burning the waste materials annually in the month of November (Hidar 12 in Ethiopian Calendar) which is a continued practice till date ...” (KII01)*

A historian Belata Getta Mersehe Woldemarikos in his book¹⁰¹ stated that overall, the “HIDAR BESHETTA” killed about 40,000 people in Ethiopia of which 9000 in the capital city, Addis Ababa. It seems that reminiscing on this history, the Ethiopian population has taken the COVID-19 pandemic more seriously since the virus was confirmed to have reached Ethiopia on 13 March 2020. The national government declared a five-month state of emergency in April 2020 but has allowed economic activities to continue during the public health crisis. Before the COVID-19 pandemic, HIV/AIDS was considered a pandemic.

¹⁰¹ “የሓያኛው ከፍለ ዘመን መባቻ: የዘመን ታሪክ ትግዳቱ ካየሁትና ከሰማሁት (1896-1922): መርሰዬ ኀዘን ወልደ ቂርቆስ: ሦስተኛ እትም

5.2.2 HIV/AIDS Policy, Strategy, Approaches and Major Interventions

Many governments in Sub-Saharan Africa (SSA) denied the existence of the problem of HIV and AIDS for years, and have only lately started to work towards solutions. Some of the respondents to the key informants' interviews stated the possible factors contributing to the apparent government delay to buy-in and take action to the initial phase of HIV/AIDS pandemic: -

*"...Historically, it was during the last year of the DERG regime in 1990 that the first HIV policy was drafted. The major challenges came after the government change. EPRDF took power in 1991 and the view is that "there is no AIDS argument" and first did not recognize HIV as the virus that caused AIDS for about ten years. Professor Elli Ants in America who wrote an article "**Infectious AIDS, Have We Been Misled?**"¹⁰² was an influential theoretical article that influenced many leaders in Africa including our political and government leaderships of the time..." (KII04)*

Some studies conducted focusing on the HIV/AIDS vulnerable population groups like the female sex workers and military recruits in the 1990s showed a 40-50% positivity rate that prompted/urged the pertinent government bodies to produce and approve the then

¹⁰² Infectious AIDS, have we been misled? A collection of thirteen articles originally published in scientific journals that call into question the dogma of infectious by Prof. Elli Ants and Peter Duesberg

HIV/AIDS Policy.

“... it is well documented that the first HIV positive blood sample was detected in 1984 in Ethiopia and the first AIDS case was reported in 1986 in Yekatit 12 Hospital. The fast spread of the HIV epidemic, the increasing deaths and loss of the productive segments of the communities especially in the mid-1990s urged the government to set the national HIV/AIDS policy in 1998...” (KII10)

“...The role of social marketing programs became prominent through its ABC behavioural change communications (BCC). In the early 2000s, the communication slogan “ለሕይወትህ ዋጋ ስጥ” which mean “value your life” was a front line in IEC/BCC message...” (KII 18)

Since 2003/4, Ethiopia launched **Antiretroviral treatment (ART)** programs which shined light of hope in the HIV response. In the following decade between 2010-2021, increasing focus has been made on **ART over prevention** which has minimized the loss of lives. Almost all major HIV/AIDS related interventions have been shifted to ART rather than prevention. Following these major policy changes, the major donors fundings have been allocated to finance the national ART program rather than on prevention initiatives. Studies show that the opportunity cost of emphasizing HIV treatment over prevention in a resource-constrained environment is measured in millions of lives needlessly lost.¹⁰³ The evidence

¹⁰³ Canning, David (2006): The Economics of HIV/AIDS in Low-Income Countries:

base and attention to “treatment as/for prevention” strengthened substantially in 2011 with the interim results from HIV Prevention Trials Network (HPTN) 052, a randomized controlled trial of early versus delayed use of ART among Sero-discordant couples.¹⁰⁴ The final results of this trial with nearly 10,000 person-years of follow-up with similar conclusions were published in 2016.¹⁰⁵

“.... The HIV Prevention Trials Network (HPTN) 052 trial which showed that antiretroviral therapy (ART) prevented more than 96% of genetically linked infections caused by human immunodeficiency virus type 1 in sero-discordant couples brought about a new insight of ARVs for HIV prevention which means an HIV positive person who is taking ART continuously and consistently, he/she will be able to attain viral suppression which in turn results in over 96% reduction of HIV transmission to an HIV negative individual. This new light shifted the global focus of HIV response to care and treatment. In a nutshell, this means HIV treatment by itself has become a prevention mechanism....” (KII10)

The Case for Prevention; Program on the Global Demography of Aging, Working Paper Series, Harvard School of Public Health-April 2006

¹⁰⁴ Cohen MS, Chen Y Q, McCauley M, Gamble T, Hosseinipour M C. others. 2011. “Prevention of HIV-1 Infection with Early Antiretroviral Therapy.” *New England Journal of Medicine* 365 (6): 493–505. [PMC free article] [PubMed] [Reference list]

¹⁰⁵ Cohen MS, Chen Y Q, McCauley M, Gamble T, Hosseinipour M C. others. 2016. “Antiretroviral Therapy for the Prevention of HIV-1 Transmission.” *New England Journal of Medicine* 375: 830–39. [PMC free article] [PubMed] [Reference list]

5.2.3 The Economic Impacts of HIV/AIDS Pandemic

It is globally accepted that HIV/AIDS was not a health problem only. It had economic, social and political consequences. Economists around the world have estimated these multi-dimensional impacts. In this section, a brief survey of this efforts is made before turning to an assessment of EEA's contributions.

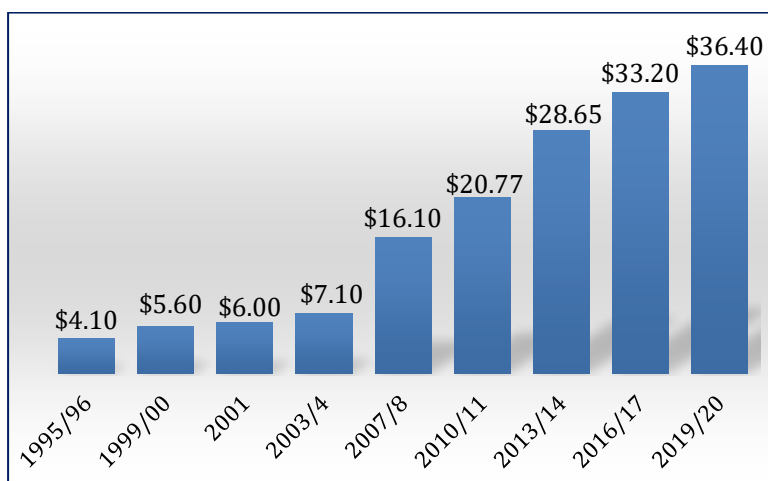
Recognition of the dual benefits of treatment has resulted in the re-evaluation of the cost-effectiveness of ART, as well as of the paradigms of HIV prevention¹⁰⁶ and has led to policy discussions about how best to value the risks and benefits of treatment for personal and public health. Even as substantial research and evaluation have improved the understanding of these trade-offs, clinical and public health policy, and funding decisions are being made at the program, national, and global levels. In Ethiopia, however, there was no such type of studies.

“... there were no such large-scale studies focusing on the HIV prevention versus treatment cost-effectiveness commissioned by EEA or other pertinent institutions which is one of the missed opportunities for the “Think-Tank” groups including EEA despite the huge investments in the areas by international donors. But there were some studies undertaken by EEA focusing on Community-Based Health Insurance (CBHI) financed by USAID ...” (KII05)

¹⁰⁶ Garnett G., Krishnaratne S., Harris K., Hallet T., Santos M. others. 2017. “Cost-Effectiveness of Interventions to Prevent HIV Acquisition.” In Disease Control Priorities (third edition): Volume 6, Major Infectious Diseases, edited by Holmes K. K., Bertozzi S., Bloom B. R., Jha P., editors. Washington, DC: World Bank. [PubMed] [Reference list]

It is inevitable that HIV treatment needs emphasis but must not be at the expense of HIV prevention efforts. Substantial resources have been mobilised both from external and internal sources to fund different HIV/AIDS programs using the first-generation health care financing strategies which contributed to the progressive gradual increment of the per capita health expenditure of the country as depicted in the Figure 11 below.

Figure 11: Per capita health expenditure, 1995/6-2019/20

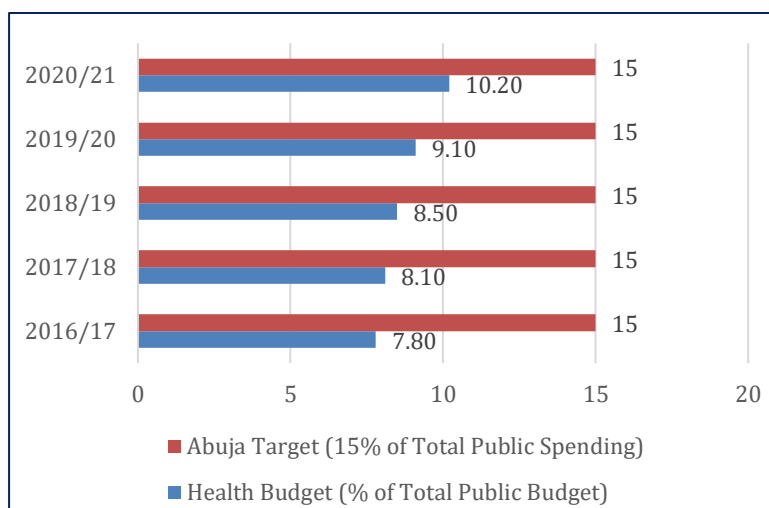


Source: NHA, 2021

Per capita government expenditure in Ethiopia is much lower than that of other comparable African countries. The country's per capita government health expenditure is only a fifth of the average per capita government expenditure of lower-middle income countries. It is also far below the USD 86 per capita spending estimated by

WHO to be required for essential healthcare services in low-income countries.¹⁰⁷ Latest report by UNICEF¹⁰⁸ showed that the health sector's capital expenditure is financed mainly through external assistance. Though the share of the public health expenditure has shown an increasing positive trend, it is far below the 15% thresholds of the Abuja Declaration of 2001(See Figure 12 below).

Figure 12: Public Health Expenditure (% Share of GDP and Total National Expenditure)



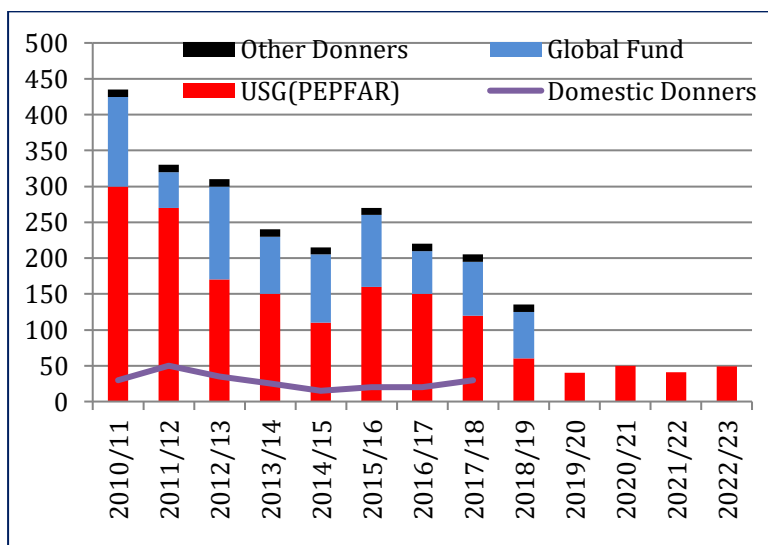
Source: Data from Ministry of Finance (2016/17-2020/21).

¹⁰⁷ <https://data.worldbank.org/indicator/SH.XPD.GHED.PP.CD?locations=ET>

¹⁰⁸ Public Investments in Health in the COVID-19 Pandemic Era, Budget Briefs 2020/2021

International and domestic investments in Health and HIV/AIDS have been of profound importance in terms of health system strengthening to create a resilient health system that copes with the COVID-19 pandemic in Ethiopia. Even though, the government of Ethiopia is exerting maximum effort and showing remarkable improvements, the health system in general and HIV/AIDS Programs in particular, is still significantly supported by donor funds.

Figure 13: Financial Investment in HIV/AIDS from donors (2011-2023)-(million USD)



Source: Authors calculation based on FHAPCO data (Authors unable to access the GF and others data covering from 2019/20-23)

Figure 13 above clearly demonstrates at least the following four important facts:

1. The GoE allocation of the National budget to HIV/AIDS was very low compared to the external donors;
2. Global Fund (GFATM) was the largest contributor to the fight against HIV/AIDS so far (the authors faced difficulty in getting GFATM data for the period covering 2019-2023);
3. US government is the largest bilateral agency that has made significant contribution though its contribution declined since 2019;
4. There is a declining trend of external funding which needs due attention from the National government.

The study conducted on the impact of HIV/AIDS on Africa's economic development¹⁰⁹ shows that the macroeconomic effects of HIV/AIDS in Africa are substantial, and policies for dealing with them may be controversial—one is whether expensive antiretroviral drugs should be targeted at economically productive groups of people. Notable studies have shown that HIV/AIDS is associated with productivity loss, especially in the agricultural sector in SSA¹¹⁰. In 2000, the rate of growth of Africa's per capita

¹⁰⁹ Simon Dixon, Jennifer Roberts and Scott Modonald (2002): The impact of HIV/AIDS on Africa's economic development, BMJ

¹¹⁰ Zerfu, D. (2002). The Macroeconomic Impact of HIV/AIDS in Ethiopia. Department of Economics, Addis Ababa University. <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.196.8488&rep=rep1&type=pdf>. Accessed 15th September 2018

GDP was reduced by 0.7% per year from 1990 to 1997 with a further 0.3% per year lower in countries also affected by malaria.¹¹¹ Unfortunately, there were no such types of studies in Ethiopia in general and studies that assess the economic impacts of HIV/AIDS on the Ethiopian economy commissioned by the EEA in particular which is also another missed opportunity for the EEA.

5.2.4 The Economic Impact of HIV/AIDS: what has EEA Done?

Unfortunately, the authors could not find any pertinent EEA research on HIV/AIDS despite ample opportunities such as costs-benefit analysis of prevention vs treatment, assessment of the economic impacts of HIV/AIDS and financial resources invested in the last 3-4 decades. These demonstrate some of the inactions or missed opportunities not only for EEA but also for most “Think-Tanks” in Ethiopia. There are some good reasons for this “inaction” as explained by Dr Tadele Ferede, Former EEA President: -

“...First, the gradual nature of HIV epidemiological progression and the effects of HIV were gradual and not rapid like COVID-19-pandemic. This could be one of the reasons for more emphasis being given to COVID-19 pandemic at this time. COVID-19 was one of the key

¹¹¹ Bonnel, R (December 2000). "HIV/AIDS and Economic Growth: A Global Perspective". *South African Journal of Economics*. **68**(5): 820–855. [doi:10.1111/j.1813-6982.2000.tb01282.x](https://doi.org/10.1111/j.1813-6982.2000.tb01282.x)

*national priority issues to make strategic decisions. Secondly, EEA was formed in 1991 when its research wing was not established or not strong as such. It was in 2000 (**its post-transformation phase of EEA**) that it started its research project agendas focusing on top priority issues like industrialization, agriculture transformation, and land ownership/tenure system etc. ...” (KII05)*

In a nutshell, the absence of research undertakings or studies on various dimensions of HIV/AIDS can be considered one of the missed opportunities in the last three decades. Is it too late? Some recommendations are put forward at the end of this chapter and also as part of ‘call to action’.

5.3 EEA Studies on the Economic Impacts of COVID-19

Coronavirus was initially identified in Wuhan China in December 2019 and then spread to the entire world which has adversely affected the world economy and threatened the welfare of populations. Before the first confirmed case of the novel coronavirus in the African region, Ethiopia was among the 13 African countries that the WHO considered a top priority for COVID-19 preparedness due to direct links or a high volume of travel to China.¹¹² The authors have analyzed and synthesized the

¹¹² World Health Organization. The African region reinforces preparedness for novel coronavirus. World Health Organization Regional Office for Africa 2020. Available at: <https://extranet.who.int/sph/news/covid-19-preparedness-bulletin-Ethiopia>. Accessed 24 July 2020

studies conducted on COVID-19 pandemic commissioned by EEA¹¹³ and other related studies undertaken by some of the members of EEA in collaboration with other international organisations and universities.

5.3.1 Quantifying the Economic Effects of COVID-19

The Ethiopian Economics Association (EEA) quantified the economic and welfare effects of the pandemic and suggested potential interventions to contain the COVID-19 pandemic (EEA, 2020). Taking the local **context** and **level of vulnerability**, the EEA study showed that the greatest majority of the population (81.3%) is ***multidimensionally poor*** in which access to basic services is very low. All households in both rural and urban areas with two or more family members have ***no adequate number of rooms for isolation measures***, the problem being more severe in rural areas and the available health facilities and professionals are by far inadequate to consider quarantine as a feasible measure in Ethiopia. All these would mean that even before the pandemic disruptions, the condition of life for most Ethiopians is already precarious.

¹¹³ The first Policy Working paper entitled “Economic and Welfare Effects of COVID-19 and Responses in Ethiopia: Initial insights” Policy Working Paper 02/2020 by Degye Goshu, Tadele Ferede, Getachew Diriba and Mengistu Ketema published in April 2020, the Second Policy Working paper 03/2020 entitled “The economywide impact of the COVID-19 in Ethiopia: Policy and Recovery options” by Lulit Mitik Beyene, Tadele Ferede and Getachew Deriba published on July 2020 and third paper 04/2020 entitled “Assessment of COVID-19 Effects and Response Measures in Ethiopia: Livelihoods and Welfare Implications” by Degye Goshu, Mengistu Ketema, Getachew Diriba and Tadele Ferede published on July 2020

The pandemic generates shocks to the economy through three entry points: supply, demand and financial shocks¹¹⁴ (Baldwin 2020) and reinforcing crises: health crisis leads to economic crisis, which in turn evolves into social crisis. Given that a significant part of the shock is coming from the supply side, country experience indicates that demand management policies, such as fiscal and monetary policies may play a small role in stabilizing the economy¹¹⁵.

The impact of the COVID-19 crisis is analyzed by EEA and other studies like the UN Global Framework using three scenarios: Base Scenario, Low/Mild Scenario and Severe Case Scenario taking the local contextual factors into account.

The Second EEA policy working paper 03/2020 which was published in July 2020 four months after the first publication assessed the potential economywide impacts of COVID-19 using the data from the national accounts applying a dynamic computable general equilibrium (CGE) model calibrated to a social accounting matrix (SAM) for FY 2010/11 and covers the period from FY 2010/11 to FY 2029/30. The EEA study shows that the Economic impacts resulting from the COVID-19 crisis were expected to have differentiated impacts on a wide range of economic and social indicators.

¹¹⁴ Baldwin, R. (2020). "Keeping the lights on Economic medicine for a medical shock", VoxEU.org, 13 March

¹¹⁵ McKibbin, W. (2020). Global Macroeconomic Implications of COVID-19: Seven Scenarios

One of the key informants from the government ministry reiterated that the Federal Government of Ethiopia invested heavily in different sectors to fight COVID-19 and implemented various response efforts taking evidence-based advice-inputs from diverse sections: -

“...there were studies conducted by EEA and others which provided policy advice as initial insights to the government to take important policy measures and actions taking the local situations and context into account...” (KII17)

5.3.2 Impact on Economic Growth

The analysis was done in three scenarios. The base scenario provided the contribution of different sectors to total GDP without COVID-19. The services sector accounts for 39.8% of the national economy, followed by agriculture (33.3%), and industry (28.1%) (NBE, 2019). Given the nature of sectors, COVID-19 has a differentiated impact on different sectors of the economy. According to CSA's estimate, the proportion of active labor force (aged between 15 and 64) in Ethiopia is about 50% of the total population. This means about 54.5 million people in Ethiopia are within the active labor category in 2019/20. Among the active labor force, about 79% (more than 43 million people) were employed in Ethiopia in 2019/2020 (World Bank, 2020). The sectoral share of employment indicates that agriculture accounts for 68% of total employment (Table 4).

Table 4: Sectoral Employment, GDP Share and Labor Productivity Across Sectors

Sector	Sectoral Employment, GDP Share and Labor Productivity Across Sectors							Total GDP Contribution in 2019/20 WITHOUT COVID-19 (h) (Base Scenario) (Million ETB)***
	Contribution to GDP (a) (Billion ETB)	Sectoral Share in GDP (b) (%)	Employed Labor force (c) (2019/2020)	Contribution to Total Employment (d) (%)	Labor Productivity in 2016 (e)	Growth Rates of Productivity between 2015 & 2016 (f)	Labor Productivity in 2019/2020** (g) (ETB)	
Agriculture	623.8	33.3	29,277,400	68	8,440	0.67	8,680	647,504.4
Industry*	526.2	28.1	4,305,500	10	27,880	11.84	44,770	592,501.2
Service	745.7	39.8	9,472,100	22	33,130	2.86	37,150	827,727.0
Total	1,874.7	100	43,055,000	100	15,630	4.67	18,840	2,067,733.6

Note: *As about 90% of the industrial sector is composed of manufacturing and construction sub-sectors (NBE 2020), “manufacturing and construction” replaces “industry” in the discussion.

**Estimated as the change in natural logarithm of the values between consecutive years (i.e. $\Delta \ln Y_t = \ln Y_t - \ln Y_{t-1}$). The values are based on 2011 real ETB. Source: Kidanemariam et al., 2020; and EEA authors’ estimate thereof for year 2020

*** Based on contribution of the three sectors to GDP in 2018/19, sectoral GDP contributions for 2019/20 were estimated based on absolute growth rates (3.8% for agriculture, 12.6% for industry and 11% for service sectors) (also indicated. Source: Extracted and estimated based on NBE (2020), Kidanemariam et al. (2020) and World Bank (2020)

Table 5 shows the effect of COVID-19 on the total and sectoral value added (or GDP) in the mild and severe scenarios and two pandemic durations (i.e., 3 and 6 months). Under the mild scenario and three months duration, the economy would experience a loss of around ETB 44.5 billion or 2.2% of GDP compared to the baseline, with the service sector experiencing a large contraction (3.8%). As expected, the agricultural sector is the least affected. However, under prolonged duration where the pandemic is mild, the economy would experience a significant amounting ETB 139.2 billion or 6.7% loss in GDP relative to the base case. The services and manufacturing sectors would be hit very hard if the pandemic lasted for six months, indicating the magnitude of the economic burden gets worse with the duration of the pandemic.

If the pandemic continues for three months and under the severe case scenario, about 3.6% of total GDP, more than 74 billion Birr, will be lost. Under this scenario, the effect of the COVID-19 on the service sector is very high. That is, reduction of about 6.1% of annual GDP within 3 months; followed by that of manufacturing and construction (reduction of about 3%), and agriculture (reduction of about 1%). However, if the pandemic lasted for 6 months, about 9.9% of total GDP would be lost under the severe scenario. That means, the country was going to lose more than 204 billion Birr within six months.

The effect of COVID-19 on the service sector in terms of reducing GDP is very high (reduction of 15.7% of annual GDP within 6 months) followed by that of manufacturing and construction (reduction of about 9.9%), and agriculture (reduction of about 2.4%).

Table 5: Impact of COVID-19 on Ethiopia's GDP Through Sectoral Worker Layoffs

Sector	3 Months			6 Months		
	Layoff Rates (%)	Reduction in GDP Contribution (Millions ETB)	Reduction (%)*	Layoff Rates (%)	Reduction in GDP Contribution (Millions ETB)	Reduction (%)
Mild Scenario						
Agriculture	5	3,176.6	0.49	7	8,894.5	1.37
Industry*	20	9,637.9	1.63	33	31,805.0	5.37
Service	36	31,670.0	3.83	56	98,528.8	11.90
Total	-	44,484.4	2.15	-	139,228.2	6.73
Severe Scenario						
Agriculture	5	6,353.2	0.98	12	15,247.7	2.35
Industry*	20	17,830.0	3.01	61	58,791.0	9.92
Service	36	50,144.1	6.06	74	130,198.8	15.73
Total	-	74,327.4	3.59	-	204,237.4	9.88

Sources: EEA Policy Working Paper Note: * Percent reductions under all scenarios are computed by considering reductions in GDP because of worker layoffs in comparison with annual GDP contributions of the different sectors under the Base Scenario indicated above Table (No-COVID-19 10 Impact)

EEA published the 3rd study (Policy Working paper 04/2020)¹¹⁶ to assess the level and efficacy of awareness of mitigation and containment measures that have been intended to lessen the impacts of the pandemic on welfare of households. It utilized the first-round household-level baseline data collected by the World Bank using High-Frequency Phone calls between April 22 and May 13, 2020.¹¹⁷ It was found that awareness about the pandemic has been created in both rural and urban areas of the country. However, awareness is necessary but not sufficient to control the pandemic. The study recommended that behavioural changes should be practiced by all households in both rural and urban areas.

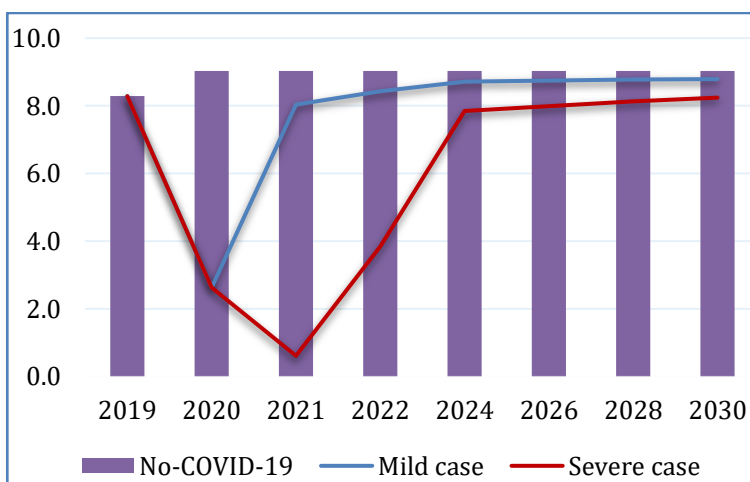
EEA's simulation results and the main findings demonstrated the impact of the pandemic in the Short- Medium- to - Long-term effects. Focusing on the COVID's medium-to-long-term effects, the findings show that, although adverse effects are not likely to amplify, the major macro indicators remain below their pre-COVID-19 level. Even if GDP growth recovers its pre-crisis 9% growth rate, the size of the Ethiopian economy would remain well below the no-COVID-19 baseline level. With a three-year recovery assumption, GDP growth rate would attain the pre-COVID-19

¹¹⁶ The first and second publications were the 'Economic and Welfare Effects of COVID-19 and Responses in Ethiopia: Initial insights' and 'Economy-wide effects of the COVID-19 in Ethiopia: Policy and Recovery Options'. These have been reviewed in the previous pages.

¹¹⁷ The survey covered 3249 households in all regions of the country (30% rural and 70% urban).

situation of 9% growth rate in the mid-term in the mild case. In a pessimistic scenario, GDP growth would remain below the baseline scenario in either the mild (8.7%) or severe (8%) cases in FY 2025/26. In line with the severity of the shock, the recovery would have a V-shape in the mild case and a U-shape in the severe case. GDP is 5.9% lower in FY 2019/20 and contracts by 6.7% in FY 2020/21 compared to the baseline scenario.

Figure 14: GDP annual growth



Source: Simulation results from EEA's study using CGD SAM Model

5.3.3 Development partners active in pandemic research

It is worth noting that several development organisations have done a similar study on the impact of COVID-19. For example, the

UN Global Policy study¹¹⁸ carried out a similar study and found that under the best-case scenario, in which the COVID-19 effect is limited to the end of the first quarter of 2020/21, COVID-19 is estimated to reduce GDP by 6.6% compared to the base-run period (the last quarter of the previous fiscal year, 2019/20).

The UN study finding also shows the agricultural sector expected to be the least affected, declining only by 2.6%, compared to the base-run. In the second-best-case scenario, GDP growth in 2020/21, was expected to decline by 10%, compared to the base-run. Given the government report of 6% growth for the fiscal year 2019/20, the estimated decline of 6.6% implies the actual growth rate must have decelerated to 2.85%. The World Bank, IMF and the African Development Bank (AfDB) have done similar assessments. Table 6 summarizes these diverse predictions by different institutions.

A study by the Job Creation Commission of Ethiopia indicated that the pandemic puts a significant number of jobs at risk, especially in the manufacturing and services sectors. The magnitude of job loss depends on the length of the pandemic. For instance, about 37 and 61% of jobs would be lost in manufacturing and construction in the severe scenario. The services sector will be severely hit, as it would experience a decline in employment by 57 and 74%. For this study, two pandemic durations are assumed: three months and six months. Furthermore, two layoff scenarios-

¹¹⁸ The United Nations Global Policy Model (UN GPM Framework) based on Macroeconomic Effects of COVID-19 by Professor Alemayehu Geda

mild and severe-are assumed with different effects among the three major sectors.

These studies demonstrated the negative impact of COVID-19 on the national economy. Ultimately, it is the most vulnerable rural and urban population that sufferer most. Mulat et al (2022) argued that in time of pandemic, government assistance is essential to support the most vulnerable households from health and economic challenges. The study concluded that the Ethiopian government has leveraged its existing social protection network to quickly reach poor households in rural areas during the COVID-19 response of 2020. However, the country needs to strengthen and scale up the existing social protection systems to accurately target the wider vulnerable population in urban areas.

Table 6: Economic Effect of COVID-19

GDP Growth (Various Estimates)	Previous Fiscal Year		Fiscal Year 2020/21	
	2019/2020		(Forecast)	
	WITHOUT COVID-19 Effect (Earlier Forecast)	WITH COVID- 19 Effect (Latest Estimate)	Pure COVID-19 Effect (From the Base-run)	COVID-19 Effect Included: (Including Gov't 8.5% growth forecast) (Best Case Scenario, with Q1 effect only)
Government of Ethiopia (Actual)	9.0%	6.0%		8.5%
World Bank, is for 2020/2021 Fiscal Yr.	6.0%	2.9%		0.0%
IMF, is for 2020&2021 Fiscal Yr.	6.0%	3.2%		2.0%
AfDB, is for 2020&2021		3.6%		5.5%
[Worst case scenario]	7.1%	[2.6%]		[3.1%]
EEA, SAM-based Model, for 2020/21			-5.9 to - 6.7	2.6
[Worst case scenario]			[-13.1]	[0.6]
UN Global Policy Model **		2.85%	-6.6	2.0%
[Worst case scenario] *			[-10.0]	[-1.5%]

Source: UN Global Policy Study: The Macroeconomic and Social Impact of COVID-19 in Ethiopia in the Global Context: Background Study for UNCTAD by Prof. Alemayehu Geda

* Note: **Best case scenario** assumes the effect of COVID-19 to be limited to the 1st Quarter of fiscal year 2020/21; while the **worst-case scenario**, given in [], assumes this effect to stay for 1st & 2nd Quarters of 2020/21, its effect in the 2nd quarter being mild, being reduced by 50%

** UNCTAD studies (TDR 2020; McKinley, 2021; Cripps, 2021) are not included in the table because they are not directly comparable. These studies use calendar year which matters in particular for the analysis in 2020, especially as their GDP. Accordingly, GDP growth was estimated at 1.95% for 2020; further, following the economic contraction in 2021 the projected average annual growth during 2021 and 2022 was 2.1% in 2021.

Table 7: Job loss scenarios under COVID-19

Scenarios	Scenarios	Layoff rates for different pandemic durations	
		3 months	6 months
	<i>Manufacturing and Construction</i>		
Scenario 1:	Mild Scenario	-20%	-33%
Scenario 2:	Severe scenario	-37%	-61%
	<i>Services</i>		
Scenario 1:	Mild Scenario	-36%	-56%
Scenario 2:	Severe scenario	-57%	-74%
	<i>Agriculture</i>		
Scenario 1:	Mild Scenario	-5%	-7%
Scenario 2:	Severe scenario	-10%	-12%

Source: Job Creation Commission (2020) for manufacturing and services, and EEA authors' estimate for agriculture

5.4 Overall Contribution to Pandemics Research: members' verdict

The initial decade of HIV/AIDS was a missed opportunity for most “Think-Tank” groups and/or professional associations like EEA to contribute their best in generating evidence for economic and health policy.

“...It is evident that EEA has demonstrated its relevance in the domain of the health emergencies in the era of COVID-19 pandemic [rather] than the HIV/AIDS pandemic times of the 1990s and 2000s...We can say it is a missed opportunity but it is not late to make large scale assessment on the economic impacts of HIV/AIDS investment covering those decades if funding available...” (KII05)

Most respondents are familiar with the EEA's proactive engagement in a series research-evidence generating initiatives and recognize the three EEA commissioned policy working papers on COVID-19 reviewed earlier. These research works and direct engagement with policy makers have enabled it to influence the 'partial-lockdown policy option' stance taken toward the COVID pandemic response and recovery measures. Nevertheless, respondents were candid as to where the EEA leadership and researchers should focus:

"...most of the time research undertaking takes a long time to produce the report, engage the pertinent government ministries and share the key findings as policy advice to make the right solutions in a timely fashion like the recent policy working papers by the Ethiopian Economics Association during COVID-19. Moreover... involve other related research institutions or think-tank groups to share their findings which will reinforce EEA's findings and will have an amplifying effect..." (KII02)

"...“Think-Tank” groups or professional associations beside dissemination of their works in workshops or conferences, they should start sharing brief policy papers that provide strategic direction for policy decision-makers and establish a monitoring and follow-up mechanism to see their impacts..." (KII03)

Early projections about the possible socio-economic impact of COVID-19 in Ethiopia were based on the assumption that the spread of the pandemic will be similar to what was happening in Europe and the United States at the time. As a result, almost all projections were predicting that the country would see all the gains from its fast economic growth registered for more than a decade and half wiped out in a short period; and its poverty level to drastically increase. These studies, thus, warned the Ethiopian government to do its best to stop the spread of the virus by all means available to it, quickly and decisively which means even taking a full lockdowns option without fully considering Ethiopia's local contexts.

EEA proactively proceeded with the first study on COVID-19 based on the available household survey data with a high-level sense of urgency taking the country contexts into account which provided detailed policy suggestions to the government that includes, among others, full lockdowns will not help the country's economy.

".... During that time there were high debates on the full lockdown or partial lockdown alternative decision options for the whole atmosphere was filled with panic and crisis. Honestly speaking the first study findings from the WHO International Research group were alarming. They suggested a full lockdown policy option to fight COVID-19. Later on, we found that the study missed the real Ethiopian context, the population distribution, and the way of life in the rural settings. More than 40% of the in the informal sector.

*As policymakers, we debated and suggested to re-calibrate the indicators and coming up with a pragmatic approach. It was at that time; that the opportunity came to see the first EEA policy working paper conducted on COVID-19 at the initial phase to get better insights for policy making. The EEA study was the first policy paper on the COVID-19 pandemic that outlined the possible policy measures including **a partial lockdown option and other actions** that should be taken to minimize the impacts of the pandemic on the Ethiopian economy. The government policy resorted to a partial lockdown which possibly indicates that the government has benefited from the EEA Policy Working Paper. The EEA working papers helped to get additional insights and confidence though their paper has its own limitations...” (KII16)*

When most developed countries and African countries decided to the full locked down option, the government of Ethiopia took the partial lockdown option which has been demonstrated for example, in Ethiopian Airlines' decision to continue its services uninterrupted, even its cargo operations were increased dramatically to serve the largest sections of the African continent during COVID and remain profitable while other airlines became out of business. Most respondents confirmed that the government leadership was appropriate and wise. There is potential for pandemics to happen again in the future and the EEA needs to take health emergency preparedness and responses as one of its

priority research agendas as a “Think-Tank” group and have at least the required health economists in its research scholar team and establish positive closer collaborative working relationships with pertinent government and international development agencies.

Overall, we have learnt that EEA leadership engagement is crucial for EEA to play its expected role in Ethiopia and beyond with clear strategic guidance by constantly scanning the environment: the past, current and future. EEA should continue applying scenario building and analysis techniques, provide policy advice and recommendations in diverse areas including conflicts, National dialogues to make all rounded discussions by different elites’ groups and communities. For example, though conflict is more of a political aspect, EEA can play an active role by analyzing and demonstrating the impact of this conflict on the economy. That is, the overall political economy perspective...” (KII05)

Policymakers and leadership in the government follow different approaches and frameworks to reach policy decision-making. The policy triangle framework, developed by Walt and Gilson, is often used in health policy analysis. This policy analysis framework stresses the importance of going beyond the technical or scientific content of a health policy to also analyze the importance of actors, the process by which policy is made along with the political decision-making consideration, and the background context that

can provide windows of opportunity for policy action.¹¹⁹ Overall, there is clear recognition from the government that the government investments in Research and Development (R&D) is highly fragmented. The GOE investment spending in R&D and its impacts is insignificant. At the same time, the research studies by the “Think-Tank” groups in Ethiopia are also highly academic, and fragmented. There are big gaps in the health economics field for it is not developed well in the country and we need to give due attention to providing rigor and sound analytical undertakings that can help policymakers in the fields to reach feasible solutions using practical policy decisions.

5.5 Lessons from the Pandemics Researches

Though there was inadequate preparedness for health emergencies including HIV/AIDS and COVID-19 pandemics, during the response phase of the COVID-19 Pandemic the government took decisive measures and provided proactive leadership to galvanize coordination of the major sectors of the society which needs to be institutionalized and supported by the establishment of a National and Regional Emergency Funds.

Generally, there were huge missed opportunities for most “Think-Tank” groups or professional associations including EEA to conduct large scale study focusing on the overall financial and human resources investments on health- HIV/AIDS in the last four decades vis-à-vis its impacts on the Ethiopian economy.

¹¹⁹ The ‘policy triangle’ - a Model of policy analysis (Walt and Gilson, 1994)

The impacts of HIV/AIDS and COVID-19 pandemics were not limited to their effects on the health and other social well-being of the society, but go beyond that to the macro and microeconomic levels.

5.6 Suggestions and Recommendations

There is a positive recognition of the EEA' research on the economic impact of COVID-19. EEA should establish strategic collaboration with pertinent government authorities without compromising its independence and autonomy. There is a general growing consensus that closer collaborative engagements do not imply compromising methodological approaches and/or independent thinking.

We suggest that the Ethiopian Economics Association should develop a large-scale project proposal to assess the economic impacts of the national and international donors financing to fight HIV/AIDS in the last four decades and submit to potential donors like USAID and BMGF.

The need for the establishment of an emergency fund: Mostly, a health emergency preparedness plan is developed but no adequate resources or budget allocated. Any planning without resource allocation is a futile exercise. Both COVID-19 pandemic and the conflict related health emergencies have demonstrated the cost of high dependence on donors which call for the establishment of an emergency fund using domestic resource mobilisation initiatives supported with legal frameworks.

Emulating modalities in Public Private Partnership (PPP) to establish a strong partnership between the government authority, development partners and private sector strategic partners including “think-tank groups” for expanding research and development (R&D) initiatives, information sharing and expanding knowledge management and dissemination.

The EEA needs to establish a special dialogue forum with pertinent government representatives systematically with a mechanism for follow-ups of implementations.

The EEA needs to proactively scan the global, regional, and country socio-political and economic environment and take the right initiative at the right time without waiting for any request from third parties taking the lessons from its response in the COVID-19 Pandemic

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CHAPTER 6

THE LAND QUESTION IN ETHIOPIA

BERHANU DENU

6.1 Introduction

The 1995 Constitution of the Federal Democratic Republic of Ethiopia is the overarching framework for economic, social, political development and most, if not all, policies emanate from the Constitution. This is even more true for the land question than any other sector. It is therefore most appropriate to begin this chapter with Constitutional provisions:

“The right to ownership of rural and urban land, as well as of all natural resources, is exclusively vested in the State and in the peoples of Ethiopia. Land is a common property of the Nations, Nationalities and Peoples of Ethiopia and shall not be subject to sale or to other means of exchange”
(Article 40:3 of the 1995 Constitution of the Federal Democratic Republic of Ethiopia).

Land is a natural resource. In principle, a nature-given resource should not have been the subject of ownership by this or that individual, group or whoever it might be. However, with the

evolution of economic modes of production and developments in the political and social spheres, various systems of appropriation of land resources have been practiced. Population growth, environmental degradation and desertification have led to the reduction of land areas for cultivation and issues of access to land for production and other purposes have been accentuated. On the one hand, there is the view that land is a natural resource and every human being is entitled to access and use rights. On the other hand, there is the view that land is a scarce resource which is the main source of any livelihood activity, and which might be misused and wasted if it is left with open access to all. This latter view sets the ground for private ownership of land to reduce the inefficient use of the scarce natural resource. Still another view is that land is needed for multi-economic, social, and political purposes and that an institution that guarantees easier access to land holding and use. Given the different interests in access to land, the difficult question is about how an optimum solution can be devised in a way that satisfies the needs of all stakeholders including the government sector.

The problem of limited access, fragmentation of land, insecurity of tenure, discouragement of investment and non-enforceable property rights in land have generated continuous debate on land in Ethiopia. The literature presents an array of views ranging from privatization of land ownership to the upholding of state ownership with enforceable tenure security, and a combination of state, private and communal ownership. In addition, there is also the view that any approach to resolve the land question in Ethiopia

must aim at ensuring equity, inclusiveness and economic development, and political stability. True, different administrations in the past have tried to reform the land tenure system, which had always been beset with problems of alienation of land from most of the population under the imperial feudal system. When the Military Government proclaimed state ownership of all rural and urban land in 1975, the preceding vested interest groups put up a fierce resistance although a short-lived one. There has also been a genuine concern about the contribution of the land reform to economic development and improvement in the lots of the rural masses. Therefore, an approach to resolve the current problem associated with access to and use of land in Ethiopia is a complex project that requires a wider spectrum of consideration than individual and isolated prescriptions. The purpose of this chapter is to present a summary of the debate and portray EEA's contributions to the process and to policy recommendations.

In May 2024, the Government of Ethiopia has adopted a new proclamation on rural land administration. It is a revised version of Proclamation No. 456/97. Among other things, the new proclamation allows rural landholders to use their holder certificate as collateral to obtain credit. The title certificate is also expected to strengthen tenure security and encourage more investment in land development.

6.2 Land tenure in Ethiopia: A historical perspective

In Ethiopia, political power and control over land have always gone hand in hand. For centuries, similar types of land tenure systems

have been practiced. The ultimate ownership right rested in the hands of the emperors who believed that they were the rightful owners of all land under their domain. Over time, the economic and political changes have resulted in the emergence of various forms of land tenure in the country. In the older (Northern part) of Ethiopia, a tenure system known as *rist* was the dominant form of land ownership. The *rist* holder, the *ristegna*, had only a secured usufructuary right. The *rist* system was characterized by land ownership limited only to ancestral descendants. Such ownership was inalienable from the holder through sale or gift to persons outside the lineage of the original holder. Thus, access to land in the *rist* system in the northern part of Ethiopia was based only on lineage of the holders. The *rist* holder was safe from abrogation of her/his right to the land under any circumstances (W/Gabriel and Belachew, ND). So, the *rist* holder faced no risk of eviction. When a holder died, his *rist* was divided equally among all his descendants. This involved recurrent re-division of the land resulting in ever-diminishing size of the land.

The law that applied to the system can be viewed as customary law. On the other hand, in the newer Ethiopia (the Central, Southern, Eastern and Southwestern parts of the country), which was occupied and absorbed into the older empire under Emperor Menilik, land was mainly privately owned, mostly by absentee feudal lords and the Orthodox Church. Tillers did not have any ownership right over the land they tilled. The system was termed the *gabar* system in which the emperors confiscated all land from the communities after the inclusion of the newer regions into the

imperial system. Land was distributed to the aristocracy, imperial soldiers and supporters, the church¹²⁰ and the clergy, some local gentry (*balabat*) and the royal family. Emperor Menilik II gave large tracts of land for loyal servants as *gult*. Emperor Haileselassie had followed the same system until the end of his administration. The *gult* owners collected taxes from the local communities and had also the legal right over them. In contrast to the *rist* system, the *gult* land could be offered for sale. In the newer regions, the *gult* was finally changed into private ownership through sale. Near the last decade of the imperial period, the privatization of the *gult* land resulted in massive eviction of the tenants (Markakis, 1974).

Therefore, under the imperial systems, all land in the empires was in principle the ownership of the emperors for centuries. Most of the population was reduced to mere tenants, submitting significant proportions of their produce to the landlords and the church. The tithe to the church was 10% and there were various payments that amounted to another 20% of the tenants' produce. One of the most oppressive aspects of the land tenure system under the imperial governments was that certain groups of the population were not allowed to own any land. Such groups consisted of Muslims, handicraft workers and merchants. For centuries, this was the picture of the land tenure system in Ethiopia with all its negative impacts on agricultural development and food

¹²⁰ Research by Bizuwork Zewdie showed in detail how Emperor Haile Selassie's government awarded land to different entities, primarily the Orthodox church by forcibly taking the land from the local communities.

security of the country. This created dissatisfaction among the landless at different places and the demand for land to the tiller became one of the major slogans of the student's movement under the imperial government. Any optimum solution must take into account the historical injustice observed in land tenure in the country,

6.3 Economic Theories of Land

Under different schools, the role of land in the economy is seen somewhat differently. The Neoclassical school regarded land simply as an input in the production process and did not give it much significance. However, the pre-classical economists (Mercantilists and Physiocrats), regarded land as a source of wealth. On the other hand, some writers regard land as having different additional functions, such as environmental, social, and even spiritual (Habcek, et al, 2006). For the Physiocrats, economic surplus (*produit-net*) was attributable to land, contrary to the popular Mercantilist view of people being a part of the national asset base (ibid). Adam Smith, on his part, considered the produce of land as the principal source of the revenue and wealth of every country.¹²¹ Smith considered land as a costless item without a price. Therefore, for Smith the services of land in production are costless contrary to the services of capital invested in the land. The price paid for the use of land is, according to Smith, a monopoly

¹²¹ see Econlib<https://www.econlib.org/book-chapters/chapter-ch-24-adam-smith-concerning-the-rent-of-land/>

rent. Land rent varied with the level of fertility, location, and accessibility. Later, two concepts of rent emerged, monopoly rent and scarcity rent. The latter is the surplus that accrues to the farmer growing grain on the more fertile land, the cost of production of which is lower than the cost of production from the less fertile land (Barlowe, 1986). Generally, land is the fundamental natural resource that is basic for human existence and for producing all items required to satisfy human needs. This is why access to the use of land remains the most important question for all times.

No production can take place without land as an input and as space for production. However, the problem with land is that it is fixed in supply and subject to deterioration in quality over time. On the other hand, population growth and the growing population density results in growing environmental degradation and this creates barriers to sustainable growth of productivity and development. Furthermore, the system of access to the use and ownership of land (tenure system) can inhibit productivity growth and create inefficiency in the economy. Therefore, identifying and choosing a tenure system that enhances economic efficiency and growth in productivity is one central issue in debates about land.

Land tenure can be defined as the terms and conditions of holding, putting to use, and transferring land (Adams, Sibanda and Turner, 1999). FAO defines land tenure as “the relationship, whether legally or customarily defined, among people, as individuals or groups, with respect to land”. This means land tenure rules “define how access is granted to rights to use, control, and transfer land,

as well as associated responsibilities and restraints. In simple terms, land tenure systems determine who can use what resources for how long, and under what conditions” (FAO, 2002). This is the legal approach, which is the formal statutory view of land tenure, which defines how the land is held and what the holder might do with the land.

The legal approach in land tenure is put in practice through cadastral surveying. Cadastral surveying is the mechanism used to define or establish land plot boundaries. Cadastral surveying provides valuable information on boundary locations, the status of the land, and the rights, restrictions, and interests in the land (Williamson, 1981). In the customary approach, access to land use rights is defined based on the informal or extra-legal communally accepted customary and traditional rules. Customary land tenure is based on the social ties among the community members and takes into consideration the interests and power of different stakeholders in the community. The customary rules might be recognized and included in the formal laws of countries.

Generally, it is observed that land tenure can be characterized by different interests. There can be overriding interest in which access to land and redistribution is vested in the hands of the state or the community. Complementary interests are entertained in communally owned land for such uses as common grazing areas and forests. There are also overlapping interests in which different groups might claim different interests to the same parcel of land. Competing interests like exclusive claims of the same plot for the same use might also characterize a lease system. The competing interest is the driving force in conflicts over agricultural land.

In terms of ownership, land tenure can be categorized as private, communal, open access and state ownership. The private ownership of land refers to parcels of land owned and used by individuals, groups, business firms and non-profit organisations. The parcels of land can be used for various purposes including agriculture. Other persons are excluded from privately owned land. This is a basic principle of individual property rights.

Communal land is where communities jointly access and use the land under their control. Persons from outside the communities are excluded from the use of community land. Open access tenure allows all persons in a country to have the right to use the land such as forests without any hindrance. The difference between communal and open access land tenure is that the communal tenure excludes the non-members of the community from using the land within the community's domain.

Under public ownership, land is put under the government and the government administers all the land. The government defines terms of access and use of land and enforces its decisions mostly using its legal/formal enforcement mechanism. In a country, a combination of the different categories of tenure systems can be observed at the same time. Communal ownership of land is most observed in developing countries, where agrarian relations are rampant. A change in the communal tenure system can disrupt the balance of power and relationships within the community and can result in conflicts (Hull, Babalola and Whittal, 2019).

Land tenure systems give rise to different rights of holders which are termed as bundles of rights. These rights can be categorized as

use rights (purpose for which the land is used), control rights (decision on how to use the land) and transfer rights (the right to alienate, sell, mortgage or transfer to heirs, (FAO, 2002). The important lesson to be taken is that the importance and value attached to access to and use rights of land are context dependent. The western countries' context and those of the developing countries are quite different. It is important to consider the specific context when proposing land tenure reform in a country. If not, the reform might create more problems that might further harm economic development and the effort to reduce poverty.

6.4 The Ongoing Debate on Land Tenure in Ethiopia

As indicated in the above sections, the tillers-unfriendly land tenure system resulted in the politicization of the issue. The Ethiopian Students' Movement used "Land to the Tiller" as one of the guiding slogans in the struggle against the imperial government. The imperial system, which was based on feudal ownership of land as its economic and power base, could not resolve the land issue. Even during the escalation of the struggle against the system, the imperial government was not interested in reforming the land tenure system fundamentally. This does not mean the imperial system did not do anything at all. Emperor Haileselassie tried to adopt a western model of land tenure, which was based on private ownership of land. However, this did not bring about any meaningful reform. Finally, the nationwide popular uprising pushed the military to unseat the emperor in 1974, and in 1975, the

Provisional Military Council/Dergue, decreed all urban and rural land as state ownership. The landlord-tenant relationship was eliminated in its entirety. Peasants' associations in the rural areas and urban dwellers associations/kebeles in the urban areas were entrusted with the power of implementing the land proclamation and the distribution of land to those who needed it for farming and construction purposes was to be done by kebele administrations.

Truly, in the Southern, Western and Eastern parts of the country, the 1975 land reform was welcomed with greater support because of the relief it brought to the residents of these areas who had been made landless. On the other hand, there have been some political groups, donors and civic associations like EEA/Ethiopian Economics Association that have been criticizing the current tenure system and calling for a move towards more secure and flexible tenure. It is to be recalled that immediately after the 1975 proclamation, the feudal lords and those who held private land put up a fierce resistance to bar the proclamation from being practical.

The 1975 radical land tenure change has thus been a subject of dispute from different angles. Currently the debate has been fueled based on a dichotomous view, the view that advocates for privatization on the one hand, and the view that calls for persistent upholding of the current public ownership with some forms of security of tenure, on the other. Those who support the current tenure system (this includes the government) argue that social justice and historical justice should prevail in land use. Social justice is defined as ensuring equality of all citizens who need land to have the opportunity to undertake economic activities,

especially agricultural production. Historical justice is argued as correcting the past that made a vast majority of the population landless, poor, and dependent on the feudal lords who amassed large areas of land. The groups that argue for privatization criticize the current tenure as creating disincentive to improve land through investment and is thus counter development. Further, this group also argues that a land market that could bring about efficient allocation of the scarce land resource could not emerge under the current tenure system. On the other hand, donors argue against the current tenure based on human rights saying that the benefits of such improvements from projects designed to promote specific services cannot accrue to target communities without secured tenure of land. They also argue that the current land policy inhibits rural development and efforts to improve food security. Further arguments against the current land tenure include that women's access to land is limited compared to opportunities for men.

The academic and donor arguments are based on the view of 'unlocking the economic potential of land' by instituting private title in land ownership. Some also argue that private titles in land promote technical efficiency in economic development. Donors argue that secured and sustainable land tenure is necessary to ensure food security in developing countries. On the other hand, the government and groups advocating to maintain the current tenure argue that privatizing land concentrates land ownership into the hands of few individuals leaving most of the poor population landless and marginalized. This had been the practice in Ethiopia before the 1974 revolution. The rationale is that when there is no

ready economic sector to absorb the population released from the rural areas, the few urban areas will be flooded with unemployed mass which might turn against stable economic growth. Indeed, there is no conclusive evidence to suggest that privatization of land is always beneficial for economic development in the broader view of the term. For example, there are reports that private entities that have been given land on lease terms have put the land idle for a long time without any productive investment and the government has been forced to take back such land. Severe environmental issues are also more and more linked with privately owned land. However, since there had been several types of tenure systems in Ethiopia, the privatization versus state ownership argument is too narrow and will not provide much help to design a meaningful inclusive land reform in the country.

6.5 EEA's Contribution to the Land Question

The EEA has been putting much of its efforts into conducting research that can inform policy makers and thus improve the policy making process. In this regard, since 1992, EEA has been putting forward issues for discussion that are thought to influence economic development in the country. One of the issues that EEA has been researching on and putting for open public discussion is the land tenure system in the country. The time after 1991 Government change created the opportunity to discuss issues of land tenure which had been impossible under the Military government which turned all land into state ownership as of 1975. For example, the 7th general assembly of EEA was thoroughly left

for discussion on land tenure under the topic the “Land Policy in Ethiopia”. This was in 1999, which was 7 years after the establishment of the EEA. There were several contributors to the panel discussion, which was later published in Economic Focus, Vol.2, No. 4, August 1999. One of the contributors was Dessalegne Rahmato under the Topic “Revisiting the Land Issue: Options for Change”. As it can be seen right at a first glance of the topic, the basic idea of the document is that the 1975 land reform that put all rural and urban land under the state contained some weaknesses and that the issue of land should be put for further discussion to come up with better policy options. Dessalegne argued that the current land tenure is beset with problems like insecurity of tenure, diminishing size of holdings, discouragement of movement of rural land holders, lack of legitimate institution for the safeguarding of the rights of holders, and unfair practices in the distribution of land. Dessalegne also raised the similarity between the Ethiopian experience and that of some post socialist transitions in African countries like Tanzania. After the change in state power in 1992, liberalization in other sectors ought to have included land tenure, according to Dessalegne. He also supports the view that access to land is fluid and that it should also be the same for Ethiopia. That means, access to land should take place through customary institutions, social networks, family relations, rental arrangements, and only occasionally, through the law. The Ethiopian case is that access is possible only through legal means. On the socio-economic side, Dessalegne argues that improvement in the livelihood of the rural population and reduction in poverty can be achieved if the rural population is allowed to

move out of agriculture. He says that with the movement of the population, land will also be moved to those who can use it better. That means efficient allocation of scarce land resources can be achieved with reduced population density in the rural areas.

After all the critical remarks against the current land tenure in Ethiopia, Dessalegne expresses his strong belief that the system must be reformed and offers the steps to be followed during the reform process. The starting step is to organise and conduct a series of debates involving a wider spectrum of the public, including the primary users, the farming community. The principle to be upheld in the debates is that land should be considered as belonging to the people who use it and that the state or any other body has no right to own land that it does not directly use. The basis for this principle is that state ownership extends the paternalistic domination of the state over the peasantry. The holders of land must be given secure tenure which stimulates them to invest in the land and also enables them to freely dispose of the land. The basis for this argument is that the peasant is assumed to be rational and can only give up her/his land only if something better is to be obtained in return.

There should also exist an independent institution which settles issues and conflicts related to land. Politicization of land issue must be stopped. The new land policy should enable the movement of peasants from agriculture. However, Dessalegne argues that private land ownership of the Western countries' type will not bring about the expected benefits to the economy in the rural areas. On the contrary, he proposed associative ownership

which combines private ownership and community responsibility in which both the rights of the private owner and the rural peasants' rights are ensured.

Truly, there are examples where private ownership of land exacerbated rural poverty, one case being the Latin American countries where the Latifundia/extensive private farmland ownership left the majority of the rural poor in servitude. The idea is here to reform the land tenure system in a way that ensures secure tenure for the holders and eliminates random and discriminatory intervention of the state in distribution and in deciding on the way land should be used. One barrier to land tenure reform in Ethiopia is that it requires amendment to the 1995 constitution, which makes land the collective ownership of nations, nationalities, and peoples of Ethiopia. Contrary to the view presented by Dessalegne, Mesfin W/Mariam proposed that rural land must be owned privately by the rural population. Mesfin argues that in a society that lacks other economic means, land is the only source of livelihood of the people. Referring to the past, Mesfin states that while access to land was free under the customary administration, private ownership and landlessness emerged during Emperor Haile Sellasie, especially in the post-Italian brief occupation. It was observed that the emergence of cash crops like coffee resulted in the private ownership of land. Mesfin, however, mentioned that most of the peasants owned the land they tilled except some segments of the population like handicrafts men (those engaged in blacksmith, pottery, weaving) who were not allowed to own land.

In the northern part of the country, Muslims and Bete Israel community were not allowed to own land. However, it is not clear if the association of the prohibition with religion or types of activities was deliberate or accidental. About 48% of the peasantry owned the land they tilled though the size of the plots varied where the majority held on average less than one hectare. About 39% of the rural population were landless tenants (*chisegna*), according to Mesfin. Mesfin argues that the current land tenure has made the entire rural population landless. It has resulted in the discouragement of the peasants to make any investment to improve productivity. Thus, most of the rural population faces chronic food insecurity and survives on the mercy of foreign food support. Mesfin also states that the land tenure policy has given the EPRDF-led government to profit from the sale of land to rich individuals and foreigners. More and more areas of land have been taken from the rural and urban poor and have been passed on to a few rich people under the guise of investment, according to Mesfin. He also states that while people used to get land for residential construction in the urban areas under the Military government, it has become extremely difficult to get access to land due to the unaffordable lease price. So, according to Mesfin, it is impossible to talk of any development happening in the country while land remains in the hands of the state. The argument about no development under state ownership of land seems too much overgeneralization by Mesfin. In the view of the writer of this chapter, it is very unprofessional to deny that several positive development programs have been achieved both in urban and rural areas. The view that all rural population has been turned into

landless is not accurate. True, it had been the same under the rist and the gult as well as the gabar system, where the holders had usufruct rights under different arrangements. Under the current tenure system all landholders have the same right.

Urban land use issues were also raised at the same EEA conference. Tsegaye Kiros, the head of Addis Ababa City Administration Lease Office, stated that after the 1991 change in government, in the wake of the liberalization process, a proclamation for leasing land was adopted mainly to create a controlled land market by moving out of informal transaction in land. The lease process includes identifying land that could be transferred to business investors, social service providers (schools, health facilities) and private residential construction purposes. Land is categorized as that already occupied (older plots/nebar) and new plots (leased plots). Whenever the previously occupied plots were taken for other purposes or renovation, modest compensation and replacement plots are given to the affected persons. The lease price of the land is set based on bid prices submitted by bidders and without bid in some cases. The without-bid price is determined by bid prices as a benchmark. Tsegaye argues that the lease system was adopted to enable planned development of cities and also to stimulate investment.

Demand for investment land comes from investors themselves who are required to fulfill bid requirements. According to Tsegaye, the urban land lease policy helps promote the growth of a planned urban area that is conducive for investment. However, there are

some problems incurred in the implementation of the lease law, mainly due to a lack of sufficient knowledge about the lease process and a lack of professionals in the field.

Mr. Assefa Tessema, one of the participants in the panel discussion, argues that the lease system is a misguided policy, which totally puts land out of the market system. Assefa refers to the historical background of urban development in Axum, Yeha and Gondar where there had been no information on land tenure. For a long time, Governments were forced to use 'mobile governance' system due to continuous fighting and instability. This brought people to depend on income from farming and from services as soldiers. Land was owned privately by those who used it for agriculture and the part which was not used for agriculture was owned communally. At times, when the demand for farmland increased, additional land was distributed from the communal land. Urbanization was disregarded and rural agriculture and livelihood thereof were given the focus. However, later towns like Intoto, Addis Ababa, and Dire Dawa were established during Menilik II. Large areas of urban land were mainly given to generals and the aristocracy, who divided the land between themselves and their soldiers freely. The areas obtained were named as homesteads/sefer of the generals and feudal lords, surrounded by cottages of their vassals. Emperor Menilik passed a proclamation that provided for the registration of the land and provided a legal certificate of ownership to the holders. Rent was to be paid on the land. It was also provided if land so owned could be sold.

This system was changed in 1975 as has been mentioned above. Even then, up to 500 M² of land was freely provided for those who wanted to build their own houses. The lease system, which has eliminated any means of transaction in land and building for a long time, raised land prices to an unaffordable level to all, the poor and the rich alike. It has held back urban development. The income expected from the lease did not match the expectation. Most of the urban dwellers do not own houses and are also unable to pay the high house rent due to shortage of houses vis a vis the ever-growing demand. The solution proposed is to eliminate the lease system and sell the urban land to private owners and allow the people to sell their land and house whenever they want to. It is not clear if the preceding arguments were based on field-based research. The question that remains is whether the market for urban land as proposed above will be able to solve the problems of the poor urban residents. In all the above discussions, the views that leave the government's need for land without much consideration is untenable.

An observation is that all the panelists did not present the perception of the major stakeholders, the farming population, and urban dwellers. It seems it is just a debate between academics and professionals as well as political elites. This does not present the whole picture and may not have much influence on the policy makers. In any case, three strings of thought can be identified: 1) the proposal for complete privatization, 2) a combination of private ownership of land with communal management of the use right, 3) leaving the current land as it is with improvement in implementation of the associated laws and guidelines.

Another important research on land issue in Ethiopia is the one undertaken by EEA researchers (Nega, et. al., 2002). The paper presents a succinct review of the land tenure system during the imperial, the military socialist and the EPRDF governments. The current tenure system, since the 1975 reform, has heightened the problem of insecurity of land holding, turned obstacle to growth in productivity and endangered agricultural development. The study focused on evaluating the debates on all sides, the government, academia, and professionals by bringing in the views of farmers. The authors also commented on the 1975 WB/World Bank suggestion about efficiency of owner-operated farms, free land market and the necessity for equal distribution of assets. The researchers argue that while the WB's suggestion is valid in general, it has however to be amended by considering specific contexts.

The research employed quantitative methodology and a field survey design. The survey research found out that more than 50% - 78% of the respondents for the different regions expressed that the state/public ownership of land is good and those who said it is not good are just about 20% - 40% of the respondents. However, most of the respondent farmers expressed they support public ownership with better security of their holdings, arguing that the system ensured equality of all to access land. While it was found that the intensive use of fertilizers resulted in the growth of productivity, however, it was found otherwise for labor productivity, which showed an increase for those farmers not participating in the extension program. In conclusion, "analysis of farmers' preferred alternative of land tenure system has revealed

that the issue of tenure security is a more important consideration than the form of ownership. The results clearly show that farmers seem to have a more pragmatic approach than those involved in the debate. Most farmers are not keen on unrestricted freehold, as indicated by the large support for state ownership with secured rights as their first choice. Neither do they seem to be willing to sacrifice security of tenure when they feel that state ownership fails to do so. Instead, the data seem to suggest that a more flexible landholding system centred around providing security of tenure and that takes into account local sensibilities including a mixture of private, state and communal holding would be a favourable option among the farming population rather than one fixated by the public/private dichotomy that characterizes the current debate in the country” (Nega et al, 2002) It was also concluded that government measure to strengthen security of tenure and transferability of land rights can stimulate rural investment and productivity. The major recommendation included the following, among others:

- The land tenure policy and strategy must be governed by a socio-economic rationale that includes efficiency and equity considerations.
- The land tenure policy, programmes and measures must give due attention to the farmers' point of view.
- A more flexible landholding system centred around providing security of tenure that considers local sensibilities including a mixture of private, state and communal holdings might generate significant support among the farming population and

resolve the structural problems facing the sector.

- A conducive environment must be created to encourage rural land markets in view of their role in improving resource allocation, efficiency, productivity, and mobility.
- Policymakers and agricultural development experts must give serious consideration to the fact that there is limited room for intensification with the prevailing mini plots operated by subsistence farms. Ways and means must be sought to create viable farm sizes that will enable economic use of farm input in a way that leads to increased intensification in a dynamic and sustainable manner.
- The problem of agrarian transformation should be looked at from a wider and long-term perspective in addition to the land tenure problem.

At the 9th Annual Conference of EEA, Tekie Alemu (2000) presented the result of a research undertaken from an institutional point of view based on the consideration of the impact of transaction cost and property rights on development. It is to be recalled that rural farmers have only usufruct rights, which does not include the right to sale, exchange or transfer the land held through any means. It means that there is always the risk of losing part or the whole of the current holding of a farmer. True, the land policy in the post-*Derg* period gave regional states to develop and implement their own land policy and to pay compensation for immovable property on the land which is taken for redistribution. Tekie analyses the willingness to pay/WTP of the farmers for a more secure tenure using a probit model. 127 respondents were

found willing to pay out of pocket while 134 respondents were willing to pay by borrowing. The amount for WTP for both is Birr 1660.00 The finding from the research has led to the following recommendations:

- The government should take measures to ensure a more secure and stable tenure system. However, the full-fledged privatization of the type practiced in the developed countries will not benefit the farmers.
- The recurrent redistribution of land that involves the state at all levels of the government should be stopped and the right to decide on land transfer to siblings be fully given to individual households.

In one of its recent contributions, EEA has issued a policy brief with the title, “Land Issues in Ethiopia: Trends, Constraints and Policy Options” (Bezabih, 2022). The study focuses on measuring attitudes towards the existing tenure security to identify possible gaps, systems of land expropriation, compensation, and overall commercialization in Ethiopia. Current and recent efforts towards increasing tenure security, through land certification program, agricultural commercialization, and hypothetical futures contracts are also analyzed. The study used qualitative methods which involved KII and FGD with quantitative analysis of secondary data obtained from the 2018/2019 CSA survey data and primary data obtained from 300 households, sampled out of two woredas each in the Amhara, Oromia and SNNP regions. A univariate probit model, propensity score estimation, average treatment effects,

and contingent valuation methods were used in the econometric analyses. The policy brief provides a critical summary of the current state of land-related challenges in Ethiopia, focusing on both rural and urban contexts. The study aims to generate empirical evidence, identify key issues, propose policy options, and suggest interventions related to land access, administration, transfer, expropriation, compensation, fragmentation, consolidation, and commercialization. The policy brief highlights that access to land, although a constitutional right in Ethiopia, falls short of the growing demand. The expansion of rural landlessness and limited access to urban land are identified as significant issues for policy consideration. Bureaucratic inefficiency and legislative loopholes contribute to the challenges of land access and utilization, particularly in urban areas. The implementation of rural and urban land administration faces challenges such as operationalization, capacity building, public awareness, and conflicts of interest between governance and political mandates. The study acknowledges the benefits brought by rural land registration programs, particularly in empowering women. Pilot programs for urban land certification have also shown potential in providing security to landholders. However, financial, organisational, and technological obstacles need to be addressed for sustainable success. Regarding land expropriation and compensation, the policy brief reveals that while respondents perceive expropriation to be limited, compensation is often considered inadequate and delayed. Land fragmentation is identified as a serious administrative, productivity, and investment issue, requiring policy attention and intervention.

The brief suggests that land consolidation, both voluntary and mandatory, remains limited in coverage and impact. The resources necessary for meaningful commercialization and land consolidation activities are shown to be limited, although contract farming is highlighted as a potentially attractive tool. In conclusion, the policy brief emphasizes the need for access to land in both urban and rural areas and notes the challenges in implementing land policies and addressing issues such as expropriation, compensation, fragmentation, and consolidation. The study calls for a clear institutional pathway that allows public engagement in land access and utilization discussions and emphasizes the importance of institutional innovation. The policy recommendations put forward in the article include addressing rural landlessness as a national issue, finding innovative solutions for urban land access, promoting public engagement in land tenure systems, and implementing institutional innovations to improve land administration. Overall, the article provides a critical assessment of the current land-related challenges in Ethiopia, identifies key issues, and offers policy recommendations to address these issues to achieve a more secure and efficient land administration system.

Another policy brief titled "Unravelling the Evolving Dilemmas of Land Reform" (Diriba, 2022) discusses the importance of land reform in Ethiopia for national development and food security. The author argues that the country's land tenure system, which declares public ownership of land, has not been adjusted adequately to accommodate the growing population and has led to land scarcity and fragmentation. The paper emphasizes that

discussions about land tenure in Ethiopia have often focused on the preference between private and public ownership, neglecting the economic, environmental, and social impacts of land reform. The author proposes three priority pillars for land reform: closing the debate on land tenure preference, establishing property rights provisions for all Ethiopians, and implementing an integrated and impersonal land administration and governance system. The article highlights the significance of land in economics as a factor of production and a source of economic and political power. The lack of a formal land administration system in rural Ethiopia has resulted in challenges such as unclear property rights and difficulties in converting land into capital. The author suggests that secure and inclusive access to land, supported by effective land tenure, administration, and property rights systems, can contribute to food security, livelihood opportunities, and overall well-being. The article acknowledges the ongoing debate between state ownership and privatization of land tenure but takes a practical policy-making approach, accepting the existing land tenure system. The author argues for the implementation of property rights that include leasing, exchanging, mortgaging, and improving land assets. It is suggested that property rights can coexist with public ownership of land, as provided in Ethiopia's constitution, and contribute to the economic and social development of the country. In conclusion, the article emphasizes the need for land reform in Ethiopia to address issues of land scarcity, food insecurity, and poverty. The author recommends separating the preference for land tenure from legally enforceable property rights and calls for all Ethiopians, including agricultural communities, to have secure and legally enforceable land titles.

The establishment of comprehensive property rights can encompass various aspects of land ownership and contribute to the agricultural and rural population's welfare.

6.6 Advocate for a land policy that makes economic sense

EEA has been pursuing the land question since the first land study in early 2000. The advocacy will continue until a land policy that makes economic sense is put in place. To this end, it has been forwarding research-based policy recommendations to resolve the observed problems associated with land tenure in Ethiopia. The recommendations were mainly aimed at establishing security of tenure and a more predictable land administration and management system to ensure equal access of citizens to landholding and use as well as protection of the environment. EEA policy research results indicate not only academia and elite views, but also the views of the prime users, farmers, and urban dwellers. The concern for poverty reduction, food security and sustainable economic transformation have been the main motivations for EEA's research on land reform issues. The appreciation of the efforts by EEA becomes clearer when one looks at the correlation between policy recommendation of EEA and the contents of the recent FDRE Rural Lands Administration and use Proclamation of May 14, 2024.

The Proclamation provides for the registration and creation of boundaries among holdings, provision of certificates to holders, and allows landholders to use their certificate of holding as

collateral to obtain a loan. This provision ensures tenure security and facilitates investment using the opportunity for access to credit. EEA has been recommending the same type of policy measure. The proclamation also provides that any person engaged in agricultural production for living will have free access to land for an indefinite time. This permanency of holding rights creates predictability and confidence to invest to improve the land. EEA has also propagated similar ideas of sustainable tenure for agricultural productivity growth. The proclamation also provides for the consideration of rights and affirmative actions for women, youth, and orphans in regional land laws.

The social justice consideration in land tenure reform in EEA research on land corroborates with this view. The new proclamation further provides for the transferability of land through gift and bequest. Holders have the right to freely transfer, including through sale, all immovable property they have created on the land. This conforms with the property rights ideas EEA has been recommending in land tenure reform. The proclamation also provides for private, communal and government ownership in land. Civil societies and non-governmental organisations can have the right to access land which they are not allowed to transfer to any other entity. In general, most of the provisions of the new proclamation agree with the ideas propagated by EEA. This is worth the effort of the EEA on the land reform issue in Ethiopia.

6.7 Lessons learned

The issue of land tenure in Ethiopia is complex and deeply rooted in historical, political, and social factors. Therefore, it is extremely important to consider the specific context and challenges faced by the country when deciding on land tenure reform. The current argument for either private or public ownership of land should look for a middle ground that must address the historical injustices while promoting economic development and social equity. Securing land rights for vulnerable groups, ensuring sustainable land use practices, and promoting agricultural development are essential components of any land tenure reform strategy. Additionally, evidence-based research and analysis, such as the studies conducted by EEA, can inform the policy-making process, and help identify the most effective approaches to address the land question in Ethiopia. In summary the following are lessons learned from the debates on land tenure in Ethiopia:

1. **Context matters:** Land tenure systems should be tailored to the specific context of a country, considering its history, social structure, and economic conditions. There is no one-size-fits-all solution, and reforms should be sensitive to local realities.
2. **Balancing social and economic goals:** Land tenure systems need to strike a balance between promoting social justice, historical justice, and economic development. Ensuring equitable access to land should also consider the opportunity to promote investment and economic development.
3. **Inclusive decision-making:** Land tenure reforms should involve a broad range of stakeholders, including communities,

experts, academics, and policymakers. Inclusive decision-making processes can help identify and address diverse needs and design an optimum system of using the scarce resource.

6.8 Conclusion

The Ethiopian Economics Association (EEA), among other things, has contributed to the debate on land tenure by presenting arguments for and against the current tenure system. The EEA, as an academic and research institution, has provided analysis and insights into the potential benefits and drawbacks of different land tenure models.

The issue of land tenure in Ethiopia is a complex problem that requires careful consideration when deciding on land reform. Land is not only a natural resource, but it is also tied up with identity and political power in the country. The historical inequitable ownership has been the central factor that resulted in the revolutionary slogan of land to the tiller in the Ethiopian student movement. The historically unjust access to land and the fast population growth as well as the need to improve agricultural productivity has contributed to the current debate on land tenure reform. While some argue for privatization to promote economic efficiency, others emphasize the importance of social justice and equitable access to land. Finding a balanced approach that addresses the concerns of all stakeholders is crucial for sustainable development and poverty reduction in Ethiopia. The contributions of organisations like EEA, through research and evidence-based policy recommendations, can play a vital role in shaping the future of land tenure in the country. The recent rural land administration and use proclamation has revitalized past efforts of the government to improve the current land tenure in Ethiopia.

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CHAPTER 7

CLIMATE CHANGE

FANTAHUN BELEW

7.1 Introduction

Climate change has emerged as one of the most pressing local and global challenges, threatening ecosystems, livelihoods, and economies across the world. As a developing nation Ethiopia is vulnerable to the adverse impacts of climate change due to heavy reliance on agriculture, limited adaptive capacity, and geographic location. In response to this urgent issue, the government has taken several measures to implement climate change mitigation and adaptation strategies. This chapter first, synthesizes the global efforts to address climate change, second discusses the Ethiopian Government's key initiatives; and third, highlights EEA's contribution to the climate change agenda which in most cases precedes the national efforts. Last but not least the chapter draws lessons from global, national and EEA efforts and inspires similar efforts globally.

7.2 Synthesis of Global Climate Change Issues

The United Nations Framework Convention on Climate Change (UNFCCC) is the global platform that established an international environmental treaty to combat "dangerous human interference with the climate system, in part by stabilizing greenhouse gas concentrations in the atmosphere. It was signed by 154 states at the United Nations Conference on Environment and Development in 1992 or famously known as "Earth Summit " in Rio de Janeiro.

According to the United Nations Framework Convention on Climate Change, climate change is defined as a "change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable periods" (UN, 1992, p. 7). It is a natural process where temperature, rainfall, wind and other elements vary over decades or more. The Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) 2023 report alerts that in recent years our planet has been experiencing rapid warming as global greenhouse gas emissions have continued to increase, with unequal historical and ongoing contributions arising from unsustainable energy use, land use and land-use change, lifestyles and patterns of consumption and production across regions, between and within countries, and among individuals (IPCC, 2023).

Increasing greenhouse gas emissions from human activity act like a blanket, wrapped around the earth, trapping the sun's heat and

raising temperatures. The main greenhouse gasses that are causing climate change include carbon dioxide and methane. These mainly come from fossil fuel use (using gasoline for driving a car or using coal for heating purposes) and agricultural practices (e.g. livestock production). Clearing land and cutting down forests can also release carbon dioxide. Agriculture, oil and gas operations are major sources of methane emissions (National Research Council, 2001). Energy, industry, transport, buildings, agricultural and land use are among the main sectors causing greenhouse gasses (UN, n.d.)¹²².

Researchers identify that climate change has become an inter-governmental complex global challenge with its influence over various components of the ecological, environmental, socio-political, and socio-economic disciplines (Abbass et al., 2022). Leaders and citizens around the globe recognize that climate change is a real and undeniable threat to the planet. The effects are already visible and will be catastrophic unless a concerted act is undertaken.

In addressing the dire situation, governments from both developed and developing countries created common global frameworks and agreements to coordinate global actions. The most notable forums are the Sustainable Development Goals, the UN Framework Convention on Climate Change and the Paris Agreement. In all

¹²² UN: Climate Action Fast Facts: accessed 08.07.23 from <https://www.un.org/sites/un2.un.org/files/fastfacts-what-is-climate-change.pdf>

forums, both developed and developing countries agree to take action to cut emissions, adapt to climate impacts and finance individual country efforts in climate change adaptation and mitigation.

The United Nations Sustainable Development Goals (SDGs) are a call for global actions to promote prosperity while protecting the planet. The SDGs recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection and job opportunities, while tackling climate change and environmental protection. Of the 17 goals, Goal 13 calls for urgent action to combat climate change and minimize its impacts by regulating emissions and promoting developments in renewable energy. It sets five targets to be achieved by 2030. They cover a wide range of issues surrounding climate action.

The first three targets are outcome targets: strengthen resilience and adaptive capacity to climate-related disasters; integrate climate change measures into policies and planning; and build climate change knowledge and capacity (UN, 2016). The remaining two targets implementing the UN Framework Convention on Climate Change (UNFCCC), and promoting mechanisms to raise capacity for planning and management.

The UNFCCC is the United Nations entity tasked with supporting the global response to the threat of climate change. There are two major strategies that countries need to take under this Convention. The first one is mitigation which is reducing greenhouse gas emissions and the second is Adaptation which is preparing for a

changing climate. Creating public awareness of climate change, cooperation in systematic climate monitoring, and promoting research and technology transfer are also obligations included in the Climate Convention (UN, 1992). Overall, the convention has three broad categories of action: cut emissions, adapt to climate impacts and finance required adjustments.

To address the climate change crisis, the UN works collaboratively with governments, the private sector, foundations, international organisations, academia, NGOs, UN agencies and others. It tries to draw upon partners' knowledge and expertise to promote positive, solutions-driven approaches to combat climate change, to highlight transformational climate action and to improve public understanding of the issue. UNFCCC conducts an annual Conference of the Parties meeting to assess progress against climate impacts and to establish legally binding obligations for participating countries to reduce those impacts.

The 2023 Global Risk report of the World Economic Forum noted that despite 30 years of global climate advocacy and diplomacy, currently, atmospheric levels of carbon dioxide, methane and nitrous oxide have all reached record highs. Emission trajectories make it very unlikely that global ambitions to limit warming to 1.5°C will be achieved. The report further emphasizes that a failure to mitigate climate change is ranked as one of the most severe threats in the short term but is the global risk we are seen to be the least prepared (WEF, 2023).

7.3 Ethiopian Government Initiatives on Climate Change

7.3.1 Rationale

The fact that the developed countries (the emitters) and developing countries (the non-emitters or near zero emitters) are affected by climate change differently Ethiopia is disproportionately affected by the impacts of climate change. Climate change creates various kinds of risks for Ethiopia due to the dependency of the economy on climate-sensitive sectors for livelihood, prevailing widespread environmental degradation and fragile ecosystems, limited national scientific, technological, financial and institutional capacity, and poor infrastructure. Moreover, Ethiopia's economy is based on agriculture, which is highly vulnerable to climate change. Earlier projections of the UNDP suggest that in Ethiopia climate change can have a sizable impact that ranges in the order of 7-8% of GDP loss per year, with stronger impacts in later decades (UNDP, 2011).

In developing countries such as Ethiopia, agriculture is the sector responsible for all greenhouse emissions, which makes it a leading industry contributing to climate warming. In turn, it is also the economic sector significantly impacted by climate change (Abbass et al., 2022). Although Ethiopia's contribution to climate change through its industrialization is insignificant, the agriculture and livestock sectors are responsible for producing methane. A significant portion of Ethiopia's overall GHG emissions come from agriculture, forest and other land use activities. On the other hand, several agro-environmental and climatic factors have huge influence on agriculture productivity (FDRE, 2022).

Moreover, it is estimated that at the national level, temperatures have increased by an average of around 1°C since the 1960s. Rainfall is subject to high inter-annual and intra-annual variability. Yearly variation around mean rainfall level is 25% and can increase to 50% in some parts of the country. Extreme weather events are common, especially drought and flood, with indications that their frequency of occurrence has increased in the last ten years, relative to the decade before (FDRE, 2021a).

Thus, Ethiopia has no option but to design and implement the necessary policies, strategies and institutional arrangements to address climate change as an individual country. Moreover, it has to implement the various global and regional climate change pacts addressing frameworks to tackle the impact of climate change as a member nation to the various international pacts. In the light of this the following sections will briefly review the two major government initiatives (Climate Resilient Green Economy and Green legacy Initiative).

7.3.2 Climate Resilient Green Economy

Ethiopia's contribution to the prevailing climate change is negligible and accounts for only 0.53% of global GHG emissions. However, the government is determined to take the necessary measures to mitigate climate change impacts (FDRE, 2022). Dependence on sectors that are climate change sensitive such as rain-fed agriculture, water, tourism, and forestry as well as a high level of poverty are the main factors that exacerbate Ethiopia's vulnerability. Climate vulnerability assessment indicates that

agriculture, livestock, forest, water, biodiversity, health infrastructure and tourism are the most severely affected sectors and require intensive climate-smart adaptation interventions.

To address the problem of climate change in a concerted manner, the Government designed the Climate Resilient Green Economy (CRGE) strategy. The CRGE aims to promote green growth, low-carbon emission, and high economic growth and create a society that is climate resilient. Ethiopia's climate change policy has been mainstreamed into national development plans. In this regard, the 2011 CRGE strategy was mainstreamed into the Second Growth and Transformation Plan for the 2015-2020 period. The newly endorsed 10-Year Development Plan, which runs from 2021 to 2030, has also set building a climate-resilient green economy as one of its strategic pillars.

The CRGE Strategy is supported by two strategy documents: the Green Economy Strategy, and the Climate Resilience Strategy for agriculture. The Green Economy Strategy (GES) (FDRE, 2011) detailed the pathway for building a low carbon middle-income country. The GE Strategy is built on four pillars:

1. Improving crop and livestock production practices for higher food security and farmer income while reducing emissions (agricultural and land use efficiency measures);
2. Protecting and re-establishing forests for their economic and ecosystem services, including as carbon stocks (increased GHG sequestration in forestry);

3. Expanding electricity generation from renewable sources of energy for domestic and regional markets; and
4. Leapfrogging to modern and energy-efficient technologies in transport, industry, and buildings.

In translating these pillars to implementation, six priority sectors have been identified: agriculture, livestock, urban, transport, industry and energy. Work is underway to produce detailed climate resilient (CR) sector strategies for all CRGE sectors, with CR strategies already in place for (i) Agriculture and forestry, (ii) Water and Energy, and (iii) Transport

This Climate Resilience Strategy focuses on the agriculture and forestry sectors due to their importance to national income and livelihoods.

The CR Strategy has three objectives,

- To identify the impact of current weather variability and projected future climate change on Ethiopia ('challenge').
- To identify ways to build climate resilience and reduce the impact of current weather variability and future climate change, and estimate their cost ('response').
- To map the steps necessary to finance and implement efforts to build climate resilience ('making it happens').

The government also introduced a National Adaptation Plan (NAP) to address climate change in the country's development policy framework including the CRGE strategy as well as sectoral climate resilience strategies and regional and municipal adaptations plan.

Its goal is to reduce vulnerability to the impacts of climate change by building adaptive capacity and resilience. The NAP aims to strengthen holistic integration of climate change adaptation in Ethiopia's long-term development pathway, supported by effective institutions and governance structures, finance for implementation and capacity development and strengthened systems for disaster risk management and integration among different sectors (FDRE, 2019). The plan focuses on the sectors that have been identified as most vulnerable, namely: agriculture, forestry, health, transport, power, industry, water and urban.

As part of its commitment, Ethiopia submitted its Initial National Communication (INC) to the UNFCCC in 2001 and submitted its Second National Communication (SNC) in 2015. In its latest and updated NDC¹²³ (July 2021), Ethiopia commits to a higher emissions reduction target of 68.8% – compared to 64% in the first NDC – 14% of which is to be an unconditional effort. It also includes 40 adaptation interventions across the transport, energy (power), industry, water, and urban sectors (FDRE, 2021a; UNDP, n.d.).

In line with the Paris Agreement, countries were expected to submit their Long Term–Low Emissions Development Strategy (LT-LEDS) by 2020. Ethiopia designed its LT-LEDS which is firmly

¹²³ NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change. The Paris Agreement (Article 4, paragraph 2) requires each Party to prepare, communicate and maintain successive nationally determined contributions (NDCs) that it intends to achieve.

aligned with the national long term development objectives and initiatives including the 10-Year Development Plan (FDRE, 2021b). LT-LEDS is an instrument that illustrates how countries envision to decarbonize their economies in the long run, up to 2050 and beyond, against which shorter-term targets can be set through NDCs and NAPs (GGGI Ethiopia).

Ethiopia is one of the few countries that is rated as “Almost Sufficient” by the Climate Action Tracker. This rating indicates that Ethiopia’s own climate plans are within the range of what is considered to be a fair share of global effort; however, Ethiopia would have to be more ambitious with its internationally supported plans to be consistent with the Paris Agreement's 1.5°C temperature limit (The Climate Action Tracker, n.d.)

The responsibility lies with Government institutions, development partners, civil society, and research organisations. The government’s vision of building a Green Economy can only be achieved with a coordinated and concerted effort.

Accordingly, the EEA has a stake in supporting the Government to implement the strategy through conducting CRGE informed research, generating evidence on the effectiveness of the CRGE and engaging with the climate change debate.

7.3.3 The Green Legacy Initiative

Over the years, Ethiopia has been implementing various programs within those policy frameworks intended to build a green economy. The mass tree planting program called the Green Legacy Initiative

(GLI) launched by the Prime Minister of Ethiopia in 2019 is one of the recent initiatives undertaken. It has the objective of restoring degraded lands, increasing the forest cover and reducing the impact of climate change.

The GLI set a target of planting 20 billion seedlings within a period of four years. By the fourth year, Ethiopia has succeeded in planting 25 billion seedlings by mobilising more than 20 million citizens throughout the nation. To achieve the target, more than 120,000 nurseries were constructed throughout the country and created 767,000 jobs mostly for women and youth (UNDESA *n.d*)¹²⁴. Research conducted by EEA attested that the survival rate of trees planted during the 2020 GLI period was 83.5% (official report by the government), which shows that the program is very successful (Beyene and Shumetie, 2023).

The Green Legacy Initiative is a demonstration of Ethiopia's long-term commitment to a multifaceted response to the impacts of climate change and environmental degradation that encompasses agroforestry, forest sector development, greening and renewal of urban areas, and integrated water and soil resources management. This has an immense contribution to Ethiopia's efforts to meet its international commitments such as the Paris Climate Change Agreement and the 2030 Agenda for Sustainable Development.

¹²⁴ <https://sdgs.un.org/partnerships/green-legacy-initiative> accessed May 21/2023

The initiative will help attain the country's adaptation goals as set in the National Adaptation Plan. Moreover, it is expected to contribute to forest conservation, reforestation, restoration of degraded land and soil as well as the promotion of sustainable management of forests. Overall, the innovative aspect of the Initiative lies in its potential to address multiple objectives. In Ethiopia, people largely depend on forests for food, fire wood, medicinal plants, wild coffee, honey, spices, etc. In addition, forests sequester and store carbon dioxide from the atmosphere, helping to reduce greenhouse gas emissions. The initiative could be a source of revenue from the sale of carbon. This entails enormous benefits in environmental protection, restoration of overexploited and degraded natural resources such as surface soil and water, halting desertification and many other interrelated objectives.

7.4 EEA's Contribution to the Climate Change Agenda

Although climate change has emerged relatively in recent years as a pertinent economic issue, EEA has been engaged in research and discussion forums on the impact of climate change from the outset. ***Institutions, Environment and Climate Change*** was one of the EEA/EEPRI research wings. The theme focused on natural resources management, economic valuation of resources, economics of climate change, sustainability (environmental, economic, and social), institutions and economic development, property rights, and other related topics.

EEA deploys multiple media to address climate change issues. It conducts research, organises public dialogue and lectures and publishes informative papers and articles through its Ethiopian Journal of Economics, Economic Focus, and Policy Brief outputs.

The National Consultation on Climatic Changes and Adaptation research works were EEA's pioneer interventions undertaken in the mid-2000s. The research projects have the objective of assessing the vulnerability of the economy to climatic changes and recommending adaptation practices using policy consultation processes. A series of policy consultations were carried out in early and late 2000 (EEA, 2006). EEA in collaboration with the World Bank conducted studies on the Economics of Adaptation to Climate Change. The outcome of the study was expected to assist decision-makers in the relevant government institutions to integrate adaptation measures into their development plans.

The EEA's research works were reinforced by consecutive workshops organised to exchange ideas and share experiences among stakeholders and get suggestions for adaptation interventions by the government, private sector, CSOs and the public (EEA, 2006). In 2009 two local and one national-level participatory scenario-development workshops were organised to identify alternative adaptation pathways for climate change. The local workshops were organised at Metehara on June 18, 2009 and at Wolaita on August 7, 2009. The two local workshops attracted 74 participants drawn from farmers and pastoralists (men and women) of rural Kebele in study woreda (Fentalle in Oromia and Kindokoysa in SNNPR); zonal and district-level experts from

Bureau of Agriculture and Rural Development/Pastoral Development, natural resources; experts from other line ministries (water, health, infrastructure); Food Security and Disaster Risk Desks, Pastoral Community Development Program (PCDP); Municipality and district administration; Women and youth associations; and Elders and religious leaders. Another is the National Workshop organised on October 16, 2009, in Addis Ababa. This national workshop attracted about 42 participants drawn from the various Ministries and Agencies, the National Meteorological Service Agency, the Forum for Social Studies, Relief Society of Tigray, SOS-Sahel Ethiopia; the Federal Environmental Protection Authority; the World Bank Country Office; the World Bank, Washington D.C.; Ethiopian Institute of Agricultural Research; Addis Ababa University; World Food Program; Ethiopian Television; and House of People's Representatives (EEA, 2010a).

However, compared to EEA/EEPRI research works undertaken on other socio-economic issues, its engagement in climate change was minimal and confined in earlier years.

In earlier years, EEA conducted debates on economic issues through a series of roundtable discussions focused on issues of critical importance to the nation with the representation of all concerned. **Vision 2020** was one of the most significant policy discussion forums that EEA has organised regularly to meet its objectives of promoting the professional development of its members and contributing towards the economic policy formulation of the country. It provided the opportunity to prominent

persons from different backgrounds to share their personal perspectives on Ethiopia's future in a 25-year horizon. Each presentation was followed by an in-depth discussion with the attendance of relevant stakeholders on the selected topic. Vision 2020 articles were published both in English and Amharic in EEA's Economic Focus publications.

Professor Shibru Tedla presented his Vision 2020 for Ethiopia's environment in a paper entitled ***"Ethiopia's Environmental Condition: Today (August 2003) and Twenty-Five Years Later"***. He succinctly highlighted the then environmental condition of the country and the problems associated with it. Based on the situation analysis and identifying critical problems, he forwarded ideas and short- and long-term recommendations that may serve as solutions to those problems. He underlined that our environment is the most fundamental responsibility that we should take upon ourselves and that the crisis that results from any neglect to protect the environment would be massive, with far-reaching consequences.

In his presentation, he focused on the following points:

- Defining environment;
- Exploring environmental problems around the world, and their causes;
- Exploring Ethiopia's environmental problems, and their causes;
- Detailing the measures so far taken, or those that ought to be taken in the future, to solve the environmental problems in the rest of the world as well as in Ethiopia, both in its position as part of a global system and in its own right as Ethiopia;

- Pointing out what the consequences could be if we were to continue the way we have been doing;

He wrapped up his presentation by relating to the Vision 2020 motto, and outlined the actions that Ethiopia should take over the next 25 years if his environmental vision is to be fulfilled:

- a system will be put in place that records in detail Ethiopia's natural resources; makes them available to the public, assess their content periodically in such a way that their values are properly known and understood, and the people will know what they have and use them accordingly
- Ethiopia will use the rivers that start on its highlands and drain into its lowlands for the generation of hydroelectric power. Generating electric power using our water resources contributes greatly to the country's environmental protection,
- Neighboring countries, particularly Egypt and the Sudan, will fully participate in activities undertaken for mutual development and prosperity, while the world's prosperous countries recognize this good neighborliness and provide the loans, aid, and political support necessary for this project,
- 25% of Ethiopia's river basin slopes planted with trees (fruit trees, trees for fuel, construction, etc.) and part of the water from the rain falling in the area surging underground to replenish the water reservoirs therein and the remaining part draining into rivers and strengthening their capacity,
- Plants that can be used for food and other purposes cultivated in the lowland/wetlands of Ethiopia, and Ethiopians numbering

in the millions engaged in industries that use these plants as inputs for production

- That program focusing on raising awareness about the country's natural resources developed for all schools, colleges and universities and incorporated into school curricula,
- National Service Program will be set up for the rehabilitation of Ethiopia's natural resources. Every Ethiopian that has come of age must participate in this program.
- Barren mountains that are deprived of their vegetation will be covered with trees, and unproductive land plots once again becoming productive through this program,
- His wish could become a reality through the broad participation of the Government, religious institutions, and non-governmental organisations (both existing ones and those to be established in the future).
- Tourist attractions built on our natural resource sites, hotels and motels that fit into the ecology of the sites set up and provide efficient services, thereby making our natural resources become sources both of enjoyment and finance.
- Recreation, cultural and sports centres established in big numbers.
- Public restrooms built in each city and town.

The 25-year time horizon is approaching. It is high time that we take inventory of how much of Professor Shiberu's wishes have been fulfilled or not. There is no doubt that if his recommendations were implemented by the government, the private sector, civil societies

and the public at large, a good deal of his wishes could have been materialized. Taking stock of his recommendations will give the nation the opportunity to pursue the remaining, if any.

Another paper transpired in the public dialogue in the Vision 2020 forum was delivered by Dessalegn Mesfin entitled “***Climate Change and Carbon Trading in Ethiopia***”¹²⁵. Desalegn stated that the negative effects of climate change have assumed a trans-generational dimension. He mentioned that the Earth's atmosphere has been polluted by the misguided path of development adopted by developed countries. Because of this, he further argued that the space for developing countries to trail the path taken by the developed countries to attain their level of development has grown only slimmer. He claimed that poor countries are not in a position to develop and advance, as the wealthy countries have been doing, by releasing pollutants into the atmosphere.

The presenter briefly noted the negative impacts of climate change on Ethiopia. The agricultural sector is the most vulnerable to climate change as variations in seasonal change, particularly the irregularity of the rainy seasons and its effect on the harvest season, result in reduced crop production.

He therefore recommended the government to work on the clean development mechanism, which is aimed at reducing the release of pollutants into the atmosphere. By doing this, he envisages that Ethiopia can use carbon trading as a source of income to finance

¹²⁵ EEA: Economic Focus Vol 10 no 6

climate-friendly development. In connection to this, he stressed the need to review the existing investment laws focused on attracting investments in the area of implementing the clean development mechanism.

As the use of energy has a direct impact on the environment, Bekele Bayissa who was Board Chairman of the Ethiopian Network of Sustainable Energy Development (ENSED) wrote on ***“Energy and Development in Ethiopia”*** and presented it at the Vision 2020 forum participants (Bayissa, 2005). He has discussed the link between energy and development; the politics of energy (Oil), energy resources; development and access in Ethiopia: current situation (in 2005) and Where Would Ethiopia be in 2020 (E.C). He has recommended various reform measures to improve the utilization of renewable and environment-friendly energy production and consumption. By doing this he has listed his ambition to see in 2020 (EC) in Ethiopia. His vision in 2020 (EC) include the following among others:

- substantially reduce the demand for petroleum by expanding rail and city bus transportation and converting both into electrically operated systems.
- natural gas could cover 15% of the modern energy consumption of the country by the year 2020.
- Rail and city bus transportation will expand, and the share of electric trains in transporting goods will at least reach about 30%, while about 30% of the city buses will be driven by electricity.

- 30% of the Ethiopian rural areas will have access to electricity generated from solar, water and wind sources.
- Ethiopia will have a full-fledged Ministry of Energy that has been established in advance of the projected year, and one that would be responsible for making sure that the sector will have the capacity to realize the above- mentioned goals.

Another paper presented in the Vision 2020 forum was “**Climate Change and Development Adaptation Measures in Ethiopia**” by Abebe Tadege¹²⁶. The presenter noted that climate variability is already imposing a significant challenge to Ethiopia by affecting food security, water and energy supply, poverty reduction and sustainable development efforts, as well as by causing natural resource degradation and natural disasters.

He recalled two major strategies that countries in general and Ethiopia in particular, need to take to mitigate the impact of climate change. The first one is mitigation aimed at reducing greenhouse gas emissions. The other is adaptation which is preparing for a changing climate. The focus of his paper was adaptation.

Adaptation is recognized as a critical response to the impacts of climate change, because current agreements to limit emissions, even if implemented, will not stabilize atmospheric concentrations of greenhouse gasses and climate change. Adaptation can reduce present and future climate variability and change. Ato Abebe noted that adaptation is neither a one-off intervention nor a stand-alone

¹²⁶ EEA Economic Focus Vol 11 no. 1

activity. It is rather a process that needs to be incorporated into the overall development planning, including the design and implementation of projects and programs across relevant sectors.

With regard to Vision 2020 on climate change adaptation in Ethiopia, Abebe recommended the following:

- Increased awareness on climate change at all levels. That is, impacts/vulnerabilities of major socio-economic sectors to climate change well understood and adaptation options identified and implemented.
- Increased human and institutional capacities on climate change adaptations Ethiopia will have climate change policy, strategy and programs.
- Policy makers in many socio-economic sectors take into account climate change adaptation in development planning
- The country gets adequate support (financial, technical, technological) to implement adaptation programs

EEA recognized that given the expected and mounting challenges of global climate change and its effects, green and renewable energy development policy and strategy need great attention. EEA's Ethiopian Economy report of 2007/08 dedicated a special section on ***“Development, Prospects and Challenges of the Energy Sector in Ethiopia”*** (EEA, 2009). The report extensively dealt with and covered issues including the role of energy in the national economy; the energy resource basis and current state of utilization; current energy sector policy, strategy and management; energy demand, supply, access, consumption, as well as future

demand projections; energy sector investments and the potential role of public-private partnership in energy development (production and distribution) taking other countries' experiences.

The report focused on the Imperative and prospects for Environment-friendly path of Energy Development. It shows the linkage of the energy sector to the environment. It highlights the environmental effects related to the current energy development and utilization policy, strategy and practices in Ethiopia. The report indicates environmentally sustainable energy development and barriers to the dissemination of renewable energy technologies.

In Ethiopia, historically, the investment and development activities in the energy sector have been the duties and responsibilities of the government. Although the government's economic policies, in principle, mention the role and need for public-private partnership (PPP) in the socio-economic development endeavors, in practice, the involvement of the private sector in energy generation and distribution is still minimal, or absent. Thus, the report recommends the need to engage the private sector in raising funds and investing in the energy sector.

EEA has also incorporated climate change issues in one of its annual International Conferences. Papers presented at the annual conferences were published in the respective Proceedings and the Annual Conferences on the Ethiopian Economy. ***“Climate Change Impacts and Responses in the Southern Lowlands of Ethiopia”***

was part of the Seventh International Conference Proceedings¹²⁷ (EEA, 2010b). It was done by Alebachew Adem and Aklilu Amsalu. The authors noted that despite the vulnerability of Ethiopia to the impacts of global climate change and weather extremes, and the recognition of this by the Ethiopian government, research-generated knowledge on regional and local impacts of climate change, locally available adaptation and mitigation measures and other community responses are seriously inadequate.

They further noted that very little attention has been given to empirically analyze the root causes of the complex and multifaceted developmental challenges of the country posed by the threat of climate change. In the absence of such empirical research generated knowledge, however, attempts to improve the quality of poor households and bring about development through attaining food self-sufficiency would be unrealistic especially in the hazard-prone areas of the country. This paper tries to identify major climate change induced-hazards, impacts and local level responses in the southern lowlands of Ethiopia and provide inputs for “climate proof” development interventions and policy formulation.

From June 2022 to February 2023, EEA produced 9 policy brief documents. Of these 3 of them address environment and climate change. One of them is ***“The Nexus among Globalization, Natural Resources Rent, and Energy Consumption for***

¹²⁷ EEA: Seventh International Conference Proceedings, accessed 07.07.23 from [file:///C:/Users/Asus/AppData/Local/Temp/Rar\\$Dla8076.16579/7TH_vol-II.pdf](file:///C:/Users/Asus/AppData/Local/Temp/Rar$Dla8076.16579/7TH_vol-II.pdf)

Environmental Sustainability in Ethiopia” (Hundie et al., 2022). It was extracted from the research conducted by three EEA members¹²⁸.

The study identifies that industrialization, urbanization, renewable energy consumption, political globalization, and natural resource exploitation deteriorate environmental sustainability. The authors recommend that the government should develop a resource plan and policy mainly for the non-renewable ones to ensure the optimal extraction of these resources.

EEA also engaged in promoting the Green Legacy. In this connection, the Association produced two Policy Briefs on Community Participation in the Green Legacy Initiative (GLI) of Ethiopia. The policy briefs were extracted from a research report on ***‘Green Legacy Initiative for Sustainable Economic Development in Ethiopia’*** (Beyene and Shumetie, 2023).

This policy brief presents the assessment of farm households’ perception of the benefits of the Green Legacy Initiative (GLI) and their willingness to participate in the future. The findings show that households are well aware of the benefits of GLI and willing to participate and allocate a fair amount of budget to keep it going for the next five years. The results suggest that it is good to capitalize on the benefits of GLI for initiating the community for future tree planting campaigns. Moreover, it is advisable to consider the

¹²⁸ Shemelis Kebede Hundie, Lamessa Tariku Abdisa, Habtamu Adane Legas and Arega Shumetie:

interest of the households in the community that are more likely to support the initiative. Finally, it is suggested that the continuous involvement of various government and non-governmental organisations is imperative to make the initiative institutionalized and ensure its sustainability.

In its conclusion and policy Implications, this study suggested that the role of public infrastructures such as schools, public libraries, and city/town sports offices be enhanced to plant, manage and maintain the trees. This has to be properly planned and implemented by the relevant government organisation starting from the federal to the district level.

In support of the national green development initiative in the country, EEA planted trees in Addis Ababa on August 14/2021, in Yeka Sub city, on the road from the British Embassy to Yeka Kidanmihret Church in front of Millennium Park. The Executive Committee Members, EEA management and members gathered from various parts of the city have participated in the event. The specific location was delineated, and a system was created as to how to continuously manage the planted seedlings. EEA has also put a strategic direction to mobilise and engage its members in planting trees in the upcoming year. The event is organised in response to help the efforts of building a green climate change resilient economy and contribute to combating climate change and alarming deforestation in the country.

EEA and its Regional Chapters continued their focus on climate change and the environment. The recent call for papers and conferences by the Jigjiga Chapter in its 1st Annual Conference on

Somali Economic Development Conference Sub Themes include Environment and climate change. The Jimma Chapter in its 2nd Annual Conference on Oromia Economic Development Conference Subthemes incorporates Environment, Natural Resources, and Climate Change. The Ethiopian Economics Association (EEA) in collaboration with Bahir Dar University and Tis Abay College in the 11th Annual Conference on Amhara Regional State Economic Development, Conference Subthemes, contains Environment, Climate Change and NRM. It is obvious that these and other similar conferences were significant platforms for academia, practitioners, policymakers and the general public. These all demonstrate that the engagements of EEA on Climate Change have been growing and currently awareness is created to consider it as a cross-cutting issue.

Although EEA provides short-term training on diverse topics, it has not so far organised short-term training on climate change. It is obvious that training on climate change and the environment is not well-known in the country's higher education institutions. Although EEA's role in building capacity in the area of environment and green growth was minimal in the past, it is hoped that it will be the focus of attention in providing short- and long-term training in the future. The envisaged graduate school is also expected to fill such gaps.

7.5 Conclusions and Lessons for the Future

7.5.1 Conclusions

EEA has been established as an independent professional association, with the primary aim of promoting the development of the economics profession in Ethiopia and contributing to the policy formulation and implementation process of our country through research, training, public dialogue forums and dissemination. Although climate change is relatively a recent economic agenda both at the global and national level, EEA has engaged in climate change issues since its establishment. Its research wing EEPRI conducted informed research projects on Climatic Change and Adaptation issues independently and in collaboration with other concerned international and local institutions. EEA's research works in the area were reinforced by ensuing workshops organised to exchange ideas and share experiences among stakeholders and get suggestions for adaptation interventions by the government, private sector, CSOs and the public.

EEA was known for conducting public debate on economic issues through roundtable discussions focused on issues of critical importance to the nation with the representation of all concerned. Notably, **Vision 2020** was one of the most significant policy discussion forums that EEA has been organising regularly to meet its objectives of promoting the professional development of its members and contributing towards the economic policy formulation of the country. Few debates were conducted on climate change issues and prominent scholars presented their

findings on the negative impact of climate change, forward significant mitigating actions to be taken by the government, the private sector, development partners, NGOs and CSOs and the public. By working on such climate change impact assessment studies and forwarding measures that can address the negative impacts, they expressed their wish to see their country 25 years later.

EEA's annual International Conferences and the respective Proceedings of the Annual Conferences on the Ethiopian Economy hardly cover Climate Change issues, despite a range of socioeconomic issues repeatedly addressed. EEA Economic Journals also kept silent on Climate Change impacts on the Ethiopian economy.

In recent years, EEA produced policy brief documents extracted from its sponsored researches. Some of the policy brief documents focused on the environment and climate change. Some of the policy brief documents published in recent years promote the Green Legacy Initiative. The EEA Executive Committee, management and members also participated in the mass tree-planting campaign.

The research outputs and papers and articles presented in the dialogue forums benefited and informed policymakers, EEA members, the private sector, the international community, Civil Society Organisations, Academia and the public at large. Several researchers have benefited from the EEA outputs, using them as a reference in their respective research undertakings.

Although EEA has the objective of enhancing the knowledge of its members, staff of government institutions, and others in pertinent socio-economic issues, its engagement in short-term training in climate change has been non-existent.

7.5.2 Lessons Learned and Recommendation

Over the past 30 years, EEA has informed the government's macro and sector-level policy formulation through its research and policy dialogue. However, compared to the macro/sector issues its contribution to climate change, CRGE in particular, has been minimal. Moreover, EEA's interventions in all aspects are expected to be pragmatic and support the country's development agenda in a concerted manner. This could be gauged in two ways: to what extent does EEA's contribution to climate change-related policy design and implementation add value on the ground? Does the government consider EEA's outputs to promote the country's development agenda? Thus, the lessons drawn from EEA's past experiences have to be gauged with respect to these two dimensions.

7.5.2.1 *Global and National Perspective*

- Climate change is recognized as a complex global challenge with its influence over various components of the ecological, environmental, political, and socio-economic disciplines. Accordingly, several global consortiums were created to fight the impacts of global climate change. Several regional and international

organisations are united to act in a concerted and coordinated manner. EEA, as a prominent think tank, is expected to contribute and engage in the global climate change agenda. Over the past 30 years, however, there is no evidence showing that EEA has participated in such global forums. Thus, there is a need to engage EEA in the global climate change issues and participate in the different fora organised to act collectively.

- At the national level, the foregoing discussions exhibit how EEA has engaged in the country's climate change and CRGE initiatives. Although climate change is a recent development agenda, EEA's engagement in addressing climate change issues is found insignificant. Although some involvements were visible, there is no evidence that the government has utilized EEA's outputs in policy design and implementation.

7.5.2.2 *Specific Lessons and Recommendations for EEA*

- The research works of EEA are expected to fill the evidence gap that exists among policymakers and elsewhere. As knowledge of environment and climate change is not well developed in the country, EEA's research engagement has to provide priority in such areas. Although some research works were conducted in the early years of EEA, little attention was given in later years to climate change although it is critical in the country's development endeavor.

- The experiences of EEA in Vision 2020 were noteworthy contributions for designing a visionary development agenda. A lot can be learned from the experiences of the Vision 2020 forum. The forum was organised both in public dialogue and published for readers. This allowed the dissemination of research findings and reaching the potential targets. The bilingual publication of the dialogue (in English and Amharic) was an additional opportunity to be accessed by readers.
- However, despite the very critical and visionary views of the Vision 2020 dialogue outcomes, nothing has been done to evaluate how they were received by the government and concerned bodies.
- Some of the presenters and commentators in the public dialogue forums were drawn from government institutions engaged in the subject under consideration. This is commendable as their engagement is instrumental in bringing tangible problems and recommendations of the subject matters. It is also helpful in facilitating the implementation of recommendations and the outcome of the discussions.
- Despite EEA having a variety of publications to reach its members and others, the attention given by those publications for climate change remained very low. There are very few deliberations on the Vision 2020 forum and EEA Economic Focus publications. However, climate change-focused topics can hardly be found in other publications of EEA over the past 30 years. Particularly EEA's publications of the Ethiopian Journal of Economics, and the International Conferences

Proceedings that contain thousands of subjects barely address Climate Change over the years. Although publication topics are selected by their authors, there has to be a way to direct publications to worthy topics – for example, through special issue publications.

- Although EEA's engagement in research and publications on climate change has not been significant, some of the publications on climate change impacts on the Ethiopian economy serve as a reference for other publications (Aragie, 2013).
- EEA engaged in contemporary and timely issues over the past years. Its contribution to adding significant value to contemporary burning issues such as structural adjustment, economic reform, poverty reduction, privatization, and the like was significant. However, its contribution to supporting the government's Climate Change agenda and CRGE initiative is found to be very weak.
- It is obvious that the provision of training in environment and climate change in higher education institutions in the country is not adequate. It is therefore essential for EEA to fill this gap by engaging in the provision of short and long-term training on Environment and Climate Change. This has not been the case in the past. This is a good opportunity to establish a post-graduate school that provides priority to environment and climate change discipline.

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PART III: WAY FORWARD

CHAPTER 8

A CALL TO ACTION

WORKNEH DENEKEW, ADDIS KASSAHUN, TADELE FEREDE AND AMDISSA TESHOME

The opening speech for the 20th International Conference on the Ethiopian Economy (July 2023) was delivered by the Governor of National Bank of Ethiopia, Ato Mamo Mihretu. He ended his speech with “A Call to Action”¹²⁹ for EEA. It has become common practice to end speeches and conferences with a call to action. What is a call to action?

A call to action is an invitation to perform a desired action. When the Governor of NBE outlined his Call to Action, what was his ‘desired action’? Broadly speaking, he wanted EEA to play a proactive role in macroeconomic policy research and dialogue. In his view, and the views of many, this is urgent!

By the same token, the authors of this book wanted to end with a Call to Action. They are inviting the Association and its members to

¹²⁹ Alternatively, some authors prefer to use “A Clarion Call” or “Wake Up Call” to convey a similar message.

perform several 'desired actions' as outlined in their respective chapters. This chapter summarizes these actions and encourages EEA management to draw up an action plan with resource allocation, if necessary, to meet the desired actions.

8.1 On EEA's Organisational Culture, Leadership and Membership

The Ethiopian Economics Association commands a unique blend of membership-based professional society, policy research think tank, and academic institution that offers immense potential. To realize this potential, we must act strategically and resolutely.

Here is our call to action:

- **Lead the way:** Make EEA a leading source of credible economic research in Ethiopia by engaging actively with policymakers, the private sector, civil society, and the general public and ensuring that our research has real impact.
- **Leverage technology to empower members:** Through the use of technology, empower members, diversify services, and meet their growing needs. Develop strong online platforms for sharing knowledge, networking, and professional development of members.
- **Foster ownership culture:** Tap into the large talent and resources that reside in our community of members. Build an ownership mentality and a culture of voluntarism among the leadership and membership to reinforce EEA's long-term sustainability.

- **Promote economic literacy and outreach:** Leverage the knowledge and information bank available in EEA to inform the public. Disseminate economic knowledge through various media to enable citizens to take part in economic decisions that impact their lives.
- **Enable economists to become champions of change:** Empower Ethiopian economists, in every corner of the economy, with the knowledge, skills, and tools of advocacy required to champion and drive positive change in the socio-economic transformation of their country.
- **Improve governance for greater impact:** Develop and further strengthen a robust and functional governance structure for EEA that ensures transparency, accountability, and responsiveness to members, and commits to maintaining the independence of EEA.

8.2 On the Culture of Policy Dialogue

Through Vision 2020, EEA has helped to inspire the culture of policy dialogue in Ethiopia. It is now time for Vision 2020, the flagship event of the association that provided a platform for the policy dialogue among intellectuals in Ethiopia, to be revived and reimagined.

Our call to action:

- **Re-launch a revitalized dialogue platform:** The EEA must build upon the strengths of Vision 2020, addressing its shortcomings with renewed vigor. This requires a dynamic forum that fosters

open and constructive dialogue on critical issues.

- **Embrace diverse voices:** We must actively ensure inclusive participation from women, youth, and community representatives, whose voices and perspectives are vital for crafting a future that truly benefits all Ethiopians.
- **Harness the power of modern communication technologies:** Leverage social media and other online platforms to foster deeper audience reach, wider engagement, and public participation.
- **Partner with development organisations:** Engage international partners and make the discussion richer, ensure the content is in line with global development objectives, while ensuring that they are relevant to local contexts.
- **Promote research and knowledge dissemination:** Continue to invest in research on key economic, environmental and social issues and disseminate findings to a wider audience to inform policy decisions and drive impactful change.
- **Advocate for evidence-based policies:** Actively advocate for evidence-based policies and engage with policymakers to ensure that the insights generated through the forum are integrated into policy decision-making.

8.3 On Networking & Partnership

The EEA has demonstrated its commitment to evidence-based research, insightful policy dialogue, and capacity building in Ethiopia. To further strengthen its impact and solidify its position as a leading voice in economic discourse, the EEA needs to

embrace a strategic vision to advance its networking and partnership development for the future.

Here's our call to action:

- **Strengthen partnerships for lasting impact:** EEA must formalize a strategic partnership plan to guide partner engagement, evaluation, and resource allocation, ensuring that partnerships align with mutual interests and with the core values and mission of the Association.
- **Diversify funding sources:** Explore additional funding avenues, reducing reliance on any single partner and ensuring long-term financial sustainability. This allows for greater independence and autonomy.
- **Further reinforce and integrate the 'gender lens' in EEA's activities:** Actively promote gender equality in all EEA activities, increasing female representation in research, policy dialogues, and leadership roles. This will enrich the perspective and impact of the Association.
- **Invest in capacity building:** Enhance research skills, communication abilities, and project management capabilities of members and staff through tailored training programs. This will strengthen the organisation and ensure its ability to effectively conduct impactful research.
- **Develop targeted dissemination strategies:** Create strategies to effectively disseminate research findings based on identified audiences and policy influences, maximizing the impact of research and informing decision-making processes.

8.4 On EEA's Contributions to Economic Themes

Part I of the book chronicled over 100 research outputs, and policy dialogue forums. However, only a handful of research themes are selected for this book based on authors' interest and expertise. We recognize that these are by no means representative of EEA's work but we believe they are a foundation to build on. A Call to Action for each of the themes are summarized as follows:

8.4.1 On Poverty and Poverty Reduction

- Build on EEA's historical role in poverty research, training and dialogue. The public lectures and dialogue forums were important events to entertain divergent ideas and views on economic policy options.
- Use the poverty reduction agenda to support the government to meet its SDG obligations. EEA's close engagement and working together with the government observed during the Country's PRSP process was at the highest which made EEA's contribution significant, visible and fruitful.
- Initiate collaborative work with relevant CSOs and development partners engaged in Ethiopia's poverty reduction agenda. This allows the Association to mobilise more resources and make complementary contributions.
- Develop and apply 'Research into Use'¹³⁰ approach to ensure

¹³⁰ Research-into-Use (RIU) refers to a planned process by which important findings from a piece of research or from a body of research are used to influence relevant practices and/or policies.

the government continues to consider EEA's outputs to promote its poverty reduction agenda.

- Continued engagement in poverty reduction research, training and dialogue has the potential to raise EEA's profile as a global think tank organisation and make the maximum use of its human resources; its members, that are prominent economists in the country and across the world.

8.4.2 On the Economics of Pandemics

Although HIV/AIDS has been one of the major pandemics of our time that affected a large section of society, there have been no major research undertakings commissioned by EEA in the last 30 years period. Generally, there were huge missed opportunities for most "Think-Tank" groups or professional associations including EEA to conduct large-scale studies on the overall financial and human resources invested on HIV/AIDS in the last four decades and its impacts on the Ethiopian economy.

Though there was inadequate preparedness for COVID-19 pandemic, during the response phase, the government took decisive measures to take proactive leadership and coordination of the major sectors of the society. The COVID-19 situation demonstrated that the Ethiopian health system in general and the public health emergency management system in particular are not resilient. Most importantly, Ethiopia did not have any public health emergency reserve fund. Resource mobilisation always starts once the public health emergency has happened. The lack of investments in preparedness results in health emergencies and

related services being sub-optimal, fragmented and uncoordinated which costs lives and resources. It calls for the need for health system resilience for services, resources coordination and integration with proper alignment and information sharing.

i) Call for Action: national and regional perspectives

- **Support high-level political leadership and commitment with research and evidence.** National and regional taskforces formed to coordinate and organise decision making through established command centres. This was one of the contributing factors for the effectiveness of the response.
- **Facilitate government efforts to revisit the national and regional health emergency strategies.** The government and its pertinent agencies should revisit the existing health emergency and related strategies and EEA is best placed to facilitate and coordinate these efforts.
- **Advocate for the preparation of a mega plan for future pandemics and ultimately for the establishment of pandemics fund.** Use the evidence and lessons from EEA and other researches to underline the need to develop a comprehensive and costed health emergency preparedness and recovery plan and allocate budget for its implementation.

There is a wrong perception that a poor country like Ethiopia does not have resources to respond to pandemics. Indeed, health emergency preparedness plans are often developed but no adequate resources or budget is allocated. To address this

problem on a sustainable basis, Ethiopia should establish a pandemic fund that helps to immediately respond to any health emergencies. Both the COVID-19 pandemic and the conflict-related health emergencies responses have depended on donors. The high donor dependence of the Ethiopian health system before the COVID-19 pandemic has impacted the COVID-19 responses. It is important to realize that ultimately, we (Ethiopians) are responsible for our fate and we should be able to finance all our basic and essential health services.

There is also a need to promote contingency fund arrangements for different areas. The Ministry of Health (MoH) has embarked on the establishment of Resilience and Equity Fund to mobilise local resources. EEA should work with the MoH to promote this agenda which needs broader perspectives and reinforcing mechanisms or policy backups.

- **Encourage development partners (through research and evidence) to focus their support on building local capacity and ensuring local ownership for sustainability.** Since a virus somewhere is a pandemic everywhere, the developed nations have also been affected by it and there is a possibility of foreign aid reduction to the developing countries like Ethiopia. These have negative implications in the existing health service delivery and eroding the achievements made so far. Therefore, the donors and development partners need to focus their supports in building local capacities to ensure adequate preparedness and emergency plan of the government with pertinent technical and financial assistance.

- **Documentation and knowledge management for public health emergencies.** There is a need to strengthen the strategic affairs directorate and knowledge management and dissemination endeavors of the Federal and Regional Health Bureaus in the country

ii) Call for Action Specific to EEA and Think-Thank Groups

- **Coordinate Public Private Partnership (PPP):** By establishing strong partnerships between the government authority, development partners, and private sector strategic partners including “think-tank groups” like EEA, and EPHA, would be beneficial for expanding research and development (E&D), knowledge management and information-sharing initiatives;
- **Resume Vision 2020 counterpart Vision 2050.** EEA and pertinent government bodies need to assess the impact of Vision 2020 on the policymakers and policy decisions on the Ethiopian Economy in the last two decades. to establish a special form for dialogue with pertinent government ministry representatives in a systematic manner where key findings could be discussed and follow-ups of implementation status
- **Strengthen internal capacity with a mix of health economists.** There is a general perception that the EEA research agenda has been skewed to specific focus areas. Therefore, it is important to take this into account and try to balance the diverse sectors of national importance. Accordingly, there is a need to equip its pool of experts by

striking a balance. EEA training should also be inclusive of health, climate, conflicts, disaster & risks, and digital economy-related fields as well.

- **It is never too late.** Address the missed opportunities in HIV/AIDS and its impacts on the Ethiopian economy. Conduct large-scale studies on the overall financial and human cost of HIV/AIDS in the last four decades and its impacts on the Ethiopian economy. EEA needs to take a proactive initiative to develop proposals in this area and submit for funding from development partners like USAID/PEPFARE, and the Bill and Melinda Gates Foundation.
- **Collaborate and engage.** Collaboration does not signify compromising methodological approaches and independence of thinking. There is a general growing consensus that establishing positive close working relationships and collaboration between “Think-Tank” groups or Professional Associations including EEA with policy-makers and government leadership to bring broader influence and impacts maintaining their independence and neutrality.
- **Establish knowledge management and dissemination system:** Based on some of the lessons learned from COVID-19-19, there should have been due attention given to establishing a knowledge management system and utilization capacity to address health emergencies of diverse natures in Ethiopia. For example, FMOH-Health Information Centre has developed the dashboard and some KM practices, started close collaboration with the Telecom for instant COVID-19 awareness creation mobile based short messaging (MSM), Ministry of

Information and Technology (MINT) to address COVID-19 Pandemics which should be enhanced and scaled up.

8.4.3 On the Land Question

Chapter 6 of the book exhaustively reviewed and documented EEA's persistent engagement with the land question - fight to the end! Does this mean EEA's mission is accomplished and no more actions are required. The authors of this book say, "far from it". The land question in Ethiopia is complex and deeply rooted in historical, political, and social factors. As these factors are dynamic and likely to change overtime, EEA will be called upon, largely due to its experience, once again to offer evidence-based recommendations on how to move the land question forward. Therefore, it is extremely important for EEA to be ready at all times to generate evidence and knowledge on the land question. In this reward, the authors Call to Action are as follows:

- **Establish a monitoring, evaluation and learning framework** to assess the implementation and impact of the new land reform to which EEA's research has contributed immensely.
- **Understand the evolving context.** Land tenure systems should be tailored to the specific context of a country, considering its history, social structure, and economic conditions. There is no one-size-fits-all solution, and reforms should be sensitive to local realities.
- **Balance social, economic and political goals.** Land tenure systems need to strike a balance between promoting social justice, historical justice, and economic development.

Ensuring equitable access to land should also consider the opportunity to promote investment and economic development. Land is not only a natural resource, but it is also tied to identity and political power in the country. The historical inequitable ownership has been the central factor that resulted in the revolutionary slogan of land to the tiller in the Ethiopian student's movement.

- **Advocate for inclusive decision-making.** Land tenure reforms should involve a broad range of stakeholders, including communities, experts, academics, and policymakers. Inclusive decision-making processes can help identify and address diverse needs and design an optimum system of using the scarce resource.
- **Advance the land debate.** For several decades, the land debate has focused on land size. Farmers, politicians and experts alike complained and debated about the 'half a hectare'. Dessalegn Rahmato called them "starvation pots". It is time to take the debate to a higher level; advance the land debate to encompass other dimensions. What has the farmer done with the half a hectare? How intensive is Ethiopian agriculture? Does size really matter? Do small farmers have access to technology appropriate to their land size? What can Ethiopia learn from other countries like China and Vietnam?

8.4.4 On Climate Change

Climate change has emerged as one of the most pressing local and global challenges, threatening ecosystems, livelihoods, and economies across the world. As a developing nation Ethiopia, is

vulnerable to the adverse impacts of climate change due to heavy reliance on agriculture, limited adaptive capacity, and geographic location. In response to this urgent issue, the government has taken several measures to implement climate change mitigation and adaptation strategies. To address the climate change crisis, UN Climate Change works collaboratively with governments, the private sector, foundations, international organisations, academia, NGOs, UN agencies and others. It tries to draw upon partners' knowledge and expertise to promote positive, solutions-driven approaches to combat climate change, to highlight transformational climate action and to improve public understanding of the issue. The 2023 Global Risk report of the World Economic Forum noted that despite 30 years of global climate advocacy and diplomacy, currently, atmospheric levels of carbon dioxide, methane and nitrous oxide have all reached record highs. Emission trajectories make it very unlikely that global ambitions to limit warming to 1.5°C will be achieved. The report further emphasizes that a failure to mitigate climate change is ranked as one of the most severe threats in the short term but is the global risk we are seen to be the least prepared (WEF, 2023).

In developing countries such as Ethiopia agriculture is the ultimate sector responsible for all greenhouse emissions, which makes it a leading industry predominantly contributing to climate warming. In turn, it is the economic sector significantly impacted by climate change (Abbass et al., 2022). Although Ethiopia's contribution to climate change through its industrialization is insignificant, the agriculture and livestock sector are responsible in producing

methane. A significant portion of Ethiopia's overall GHG emissions come from agriculture, forest and other land use activities. On the other hand, several agro-environmental and climatic factors have a huge influence on agriculture productivity (FDRE, 2022).

The government also introduced a National Adaptation Plan (NAP) to address climate change in the country's development policy framework including the CRGE strategy as well as sectoral climate resilience strategies; and regional and municipal adaptations plan. In response to the Paris Agreement, Ethiopia designed its Long-Term Low Emission Development Strategy (LT-LEDS) by 2020 which is firmly aligned with the national long-term development objectives and initiatives including the 10-year perspective development plans of Ethiopia (2021-2030) (FDRE, 2021b). Although climate change has emerged relatively in recent years as a pertinent economic issue, EEA has been engaged in research and discussion forums on the impact of climate change from the outset. Apparently, ***Institutions, Environment and Climate Change*** is one of the EEA/EEPRI research wings. The theme focuses on natural resources management, economic valuation of resources, economics of climate change, sustainability (environmental, economic, and social), institutions and economic development, property rights, and other related topics. EEA deploys multiple media to address climate change issues. It conducts research, organises public dialogue and lectures and publishes informative papers and articles through its Ethiopian Journal of Economics, Economic Focus, and Policy Brief outputs.

The National Consultation on Climatic Changes and Adaptation research works were EEA's pioneer interventions in the mid-2000s. The research projects aim to assess the economy's vulnerability to climatic changes and recommend adaptation practices using a policy consultation process. A series of policy consultations were carried out in early and late 2000 (EEA, 2006). EEA in collaboration with the World Bank conducted studies on the Economics of Adaptation to Climate Change. The outcome of the study was expected to assist decision-makers in the relevant government institutions to integrate adaptation measures into their development plans. In one of the public dialogue fora of the Vision 2020 Professor Shibiru Tedla presented a paper entitled ***“Ethiopia's Environmental Condition: Today (August 2003) and Twenty-Five Years Later*** “(Tedla, 2003). Professor Shibru Tedla, to an audience of Vision 2020, succinctly highlighted the then environmental condition of the country and the problems associated with it and pointed out what the consequences could be if we were to continue the way we have been doing; and expressed his wishes to see 25 years later in Ethiopia. Although the 25-year time horizon has not lapsed but is approaching, we have to take inventory of how much of the paper presenters' wishes in **Vision 2020** happened or not.

Call for Action on Climate Change Issues

Over the past 30 years, EEA has supported the government's initiatives in various socio-economic landscapes. However, compared to EEA's support in other macro and micro-level policy

advice, its engagement in environment and climate change was minimal. This can be demonstrated through the fact that EEA was known for conducting public debate on economic issues through roundtable discussions focused on issues of critical importance to the nation, notably via Vision 2020 policy discussion forums regularly, few debates were conducted on climate change issues. In addition, the EEA's annual International Conferences and the respective Proceedings of the Annual Conferences on the Ethiopian Economy hardly cover Climate Change issues, despite a range of socio-economic issues repeatedly addressed. EEA Economic Journals also kept silent on Climate Change impacts on the Ethiopian economy. It is only in recent years that EEA produced policy brief documents extracted from its sponsored research works focusing on the environment, climate change and promoting the Green Legacy Initiative where the EEA Executive Committee, management and members also participated in the mass tree planting campaign. In the same vein, though EEA has the objective of enhancing the knowledge of its members, staff of government institutions, and others in pertinent socio-economic issues, its engagement in short-term training in climate change has been non-existent. These call for future research and capacity-building agendas of the EEA should take climate change issues as one of the key national significance and research agendas. Moreover, EEA's interventions in all aspects are expected to be pragmatic and support the country's development agenda in a concerted manner.

The call for actions concerning Global and National Perspective

Climate change is recognized as a complex global challenge with its influence over various components of the ecological, environmental, political, and socio-economic disciplines. Accordingly, several global consortiums were created to fight the impacts of global climate change. Several regional and international organisations are acting in a concerted and coordinated manner. The vast majority of climate action needs to happen in local communities, where the urgent impacts of climate change are already being felt. Yet accessing climate finance remains a significant challenge for local and grassroots organisations. The way multilateral climate funds are set up favors larger, international organisations with the capacity to navigate complex application processes and big sums of money—but there are concrete steps they can take to change that. Much of climate financing goes to large international organisations that can navigate the complex application processes. This can leave local groups, often best positioned to address climate challenges in their communities, without the resources they need.

Climate Adaptation Summit and [the agreed text](#) from the last U.N. Climate Conference of the Parties, or COP, highlighting locally-led action, the current climate finance architecture remains ill-equipped to get money directly into the hands of local organisations. There is a need for a call for action to the international system to address these concerns from the global south.

EEA, as a prominent think tank, is expected to contribute and engage in the global climate change agenda. Over the past 30 years, however, there is no evidence showing that EEA has participated in such global forums. Thus, there is a need to actively engage EEA in the global climate change issues and participate in the different fora organised to act collectively.

EEA can use a dozen of its member economists who are actively engaging in the international environmental and climate change ecosystem and overseas universities.

At the national level, as the foregoing discussions exhibit how the EEA has engaged in the country's climate change and CRGE initiatives, overall, the EEA's engagement in addressing climate change issues is found insignificant. There is no evidence that the government has utilized even the existing few EEA's outputs on climate change areas in policy design and implementation.

The call for actions specific to the EEA

- **Focus on research works that can fill the evidence gaps.**
Despite the EEA having a variety of publications to reach its members and others, the attention given by those publications for climate change remained very low. There are very few deliberations on the Vision 2020 forum and EEA Economic Focus publications. However, climate change-focused topics can hardly be found in other publications of EEA over the past 30 years. Particularly EEA's publications of the Ethiopian Journal of Economics, and the International Conferences Proceedings that contain thousands of subjects barely

address Climate Change over the years. Although publication topics are selected by their authors, there has to be a way to direct publications to worthy topics – for example, through special issue publications.

- **Focus on developing the knowledge base for environment on climate change.** Although some research works were conducted in the early years of EEA, little attention was given in later years to climate change though it is critical in the country's development endeavor. Some of the publications on climate change impacts on the Ethiopian economy serve as a reference for other publications (Aragie, 2013). This call for EEA and its leadership has to take a concerted effort to fill the gap in climate change and environmental research at the EEA research wing.
- **Use the Vision 2020 type platform to design a visionary development agenda.** A lot can be learned from the experiences of the Vision 2020 forum. The forum was organised both in public dialogue and published for readers. This allowed the dissemination of research findings and reaching the potential targets. The bi-lingual publication of the dialogue (in English and Amharic) was an additional opportunity to be accessed by readers. Undertake a thorough assessment of value of previous platforms and draw lessons
- **Strengthen support to government's Climate Change and CRGE.** EEA has demonstrated its worth in engaging with several contemporary burning issues such as structural adjustment, economic reform, poverty reduction,

privatization, and the like was significant. However, its contribution to supporting the government's Climate Change agenda and CRGE initiative is found to be very weak.

- **Develop and implement a capacity-building plan for environment and climate change.** Ongoing efforts to build national human capacity within the higher education institutions is not adequate. It is therefore essential for EEA to fill this gap by engaging in the provision of short and long-term training on Environment and Climate Change. This has not been the case in the past. This is a good opportunity to establish a post-graduate school that provides priority to environment and climate change discipline.



ANNEX

Annex 1.1: Member Survey– Organisation, Culture, Leadership and Membership

Key	Question
Q1	EEA's unique combination of being a CSO, a think-tank and an academic institution is an asset the association needs to continue building on
Q2	EEA is recognized as a premier professional association in Ethiopia
Q3	EEA has contributed to advancing economic science and the teaching of economics in Ethiopia
Q4	EEA should work more on harnessing the skills and capacities of its members in its various research undertakings
Q5	EEA has contributed to creating a culture of policy dialogue and debate in Ethiopia, through its various platforms (roundtables, vision 2020, annual national, regional and international conferences)
Q6	Looking forward, EEA needs to reach out more to the public and mass-based associations (e.g. Chamber of Commerce) using its research products, discussion and dialogue platforms and media
Q7	EEA's founding and successive generation of leaders are acknowledged as visionary, committed and capable
Q8	Over the years, EEA has lived up to its espoused values of professionalism and independence
Q9	EEA is characterized by a strong and unique culture of voluntarism among its founding and successive generation of leaders

Key	Question
Q10	Over the years, EEA-EEPRI's research products and publications have addressed the pertinent economic issues of the country
Q11	There is a need to have a special provision in EEA to enhance the role of youth in EEA's leadership
Q12	There is a need to have a special provision in EEA to enhance the role of women in EEA's leadership
Q13	Elected leaders and management of EEA have been resilient and pragmatic during the association's difficult & testing times
Q14	Over the years, I have personally benefited from the various skill training workshops, conferences and discussion platforms organised by EEA
Q15	EEA's members were supportive and stood by the association in its difficult times, including when it faced existential threats
Q16	EEA-EEPRI's research products and publications have contributed to economic policy making in the country
Q17	EEA's Regional Chapters have served members to better access its services,(e.g. training, publications and regional conferences) and enhance their professional growth & development.
Q18	The enactment and implementation of Charities and Societies Law of 2009 has been the main existential threat of EEA in its 30 years journey

Annex 1.2: Chronicles of the Annual Conferences and Roundtable Discussions

S.N.	Title of the Forum and Proceedings	Type of Forum	Date of Forum	Year of Publication
1.	The Current State of the Ethiopian Economy: Structure, Problems & Policy Issues	1 st Annual Conference	November 22-26, 1991	1992
2.	The Ethiopian Economy: Problems of Adjustment	2 nd Annual Conference	October 21- Nov.1, 1992	1994
3.	Problems & Prospects of Private Sector Development	3 rd Annual Conference	October 29-31, 1993	1994
4.	Ethiopian Agriculture: Problems Transformation	4 th Annual Conference (Debrezeit)	November 26-29, 1994	1995
5.	Adjustment in Ethiopia: Lesson for the Road Ahead	Workshop (Addis Ababa)	September 29-30, 1995	1996
6.	The Ethiopian Economy: Poverty & Poverty Alleviation	5 th Annual Conference (Nazareth)	November .30 - December 3, 1995	1996
7.	Small Scale Enterprise Development in Ethiopia	6 th Annual Conference (Nazareth)	December 5 - 8, 1996	1997

S.N.	<i>Title of the Forum and Proceedings</i>	<i>Type of Forum</i>	<i>Date of Forum</i>	<i>Year of Publication</i>
8.	Culture and Economic Development: Does Culture Change Induce Economic Development or Vice-versa	1 st RTD	March 20, 1997	
9.	Urban development & Urban Land Policy	2 nd RTD	June 28, 1997	Sept. 1997
10.	Rural Land Policy and Food Security	3 rd RTD	October 30, 1997	Dec. 1997
11.	Human resources Development in Ethiopia	7 th Annual Conference (Nazareth)	November 28 - 30, 1997	1998
12.	Structural Adjustment & Macro-Economic Policy	4 th RTD	February 11, 1998	April 1998
13.	Privatization & Domestic Entrepreneurial Capacity	5 th RTD	May 26, 1998	
14.	Human Resource Development (I) -	6 th RTD	August 1, 1998	Oct. 1998
15.	The Economics of Ethio-Eritrean Conflict	7 th RTD	October 22, 1998	Dec. 1998

S.N.	<i>Title of the Forum and Proceedings</i>	<i>Type of Forum</i>	<i>Date of Forum</i>	<i>Year of Publication</i>
16.	The Ethiopian Economy: Performance & Evaluation	8 th Annual Conference (Nazareth)	October 30 – November 1, 1998	Sept. 1999
17.	The Relevant of East Asian Experience to Ethiopia	8 th RTD	December 11, 1998	Feb. 1999
18.	Promoting the Export Sector in Ethiopia	9 th RTD	February 12, 1999	April 1999
19.	Attracting Foreign Investment in Ethiopia	10 th RTD	April 30, 1999	June 1999
20.	Are there Alternatives to the Current Land Policy in Ethiopia?	11 th RTD	July 3, 1999	August 1999
21.	Addressing the Problem of Poverty in Ethiopia: What are the Policy Options?	12 th RTD	September 03, 1999	Oct-Nov. 1999
22.	Institutions, Resources and Development in Ethiopia	9 th Annual Conference (Addis Ababa)	October 8 - 9, 1999	2000
23.	Economic Policy in the 1992 E.C. Election: Perspective of the Civil Society	13 th RTD	November 12, 1999	Dec.99- Jan.2000

S.N.	<i>Title of the Forum and Proceedings</i>	<i>Type of Forum</i>	<i>Date of Forum</i>	<i>Year of Publication</i>
24.	Globalization & its Impact on the Ethiopian Economy	14 th RTD	January 21, 2000	Feb-March 2000
25.	Economic Policy in the 1992 Elections: Perspective of the Political Organisations	15 th RTD	March 17, 2000	April-May 2000
26.	Gender and Development	16 th RTD	May 19, 2000	June-July 2000
27.	Financial Sector Liberalization	17 th RTD	July 15, 2000	Aug-Sep 2000
28.	Problems and Prospects of the Energy Sector in Ethiopia	18 th RTD	September 2000	Oct-Nov 2000
29.	Explaining Economic Growth & Development in Ethiopia	10 th Annual Conference (Nazareth)	November 3 - 5, 2000	
30.	Policy Implementation & Economic Growth	19 th RTD	December 1, 2000	Feb-March 2001
31.	Financing the Health Sector in Ethiopia	20 th RTD	February 2, 2001	Feb-March 2001
32.	Perspectives on the Ethiopian Economy and Policy	21 st RTD	March 16, 2001	Aug.-Sept. 2001

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S.N.	<i>Title of the Forum and Proceedings</i>	<i>Type of Forum</i>	<i>Date of Forum</i>	<i>Year of Publication</i>
33.	Financial Liberalization in Ethiopia	22 nd RTD	June 1, 2001	Oct.-Nov. 2001
34.	Does Ethiopia Need an Industrial Policy	23 rd RTD	July 13, 2001	
35.	Governance and Economic Development	24 th RTD	August 04, 2001	
36.	Policy Reform, Implementation and Outcome in Ethiopia	11 th Annual Conference (Nazareth)	November 2 - 4, 2001	2002
37.	The Poverty Reduction Strategy Paper (PRSP) Process	25 th RTD	November 30, 2001	Dec.01- Jan.02
38.	ICT Development in Ethiopia	26 th RTD	July 19, 2002	July-August 2002

Source: Ethiopian Economics Association's (EEA's) Journey (1984-2009 EC), 2017, Addis Ababa

Annex 2.1: Vision 2020: Members' survey tool

What is the status of the following visions? Please read the vision statement and choose one of the four options you agree with; **1=not fulfilled; 2=unlikely to be fulfilled (2016-2020 EC); 3=likely to be fulfilled (2016-2020 EC); 4=fulfilled.**

Random number	Randomly selected Vision statements (by 2020 E.C.)	1	2	3	4
01	Genuine constitutional order and governance will be institutionalized				
011	Religious institutions will coordinate with the community to care for persons with disability, elders, and orphans.				
021	A new generation free of the urge to migrate will emerge				
031	All Ethiopians, children in particular, will be free of parasites (e.g. worms) that consume 20-30% the food they eat.				

Random number	Randomly selected Vision statements (by 2020 E.C.)	1	2	3	4
041	Government officials will come to their senses and utilize public property and resources mobilised through loans and begging only for the purpose intended.				
051	Ethiopia's per capita income will increase from \$100 to \$250				
061	The number of traders that are self-reliant, transparent and stand for their rights will increase				
071	The survival of Ethiopia will be of greater importance than poverty and famine.				
081	The fundamental principles now embodied in our Constitution will be implemented in full.				
091	Ethiopians in the Diaspora will return and contribute to the development of their country.				

Random number	Randomly selected Vision statements (by 2020 E.C.)	1	2	3	4
101	The world will undergo a radical change in the coming twenty-five years mainly due to information technology that will turn the world into one global village.				
111	An Independent 'Institute of Cultural and Language Studies' will be established to collect, classify, document and analyze the country's material and spiritual legacies.				
121	Enterprises working in the area of developing information and communication will merge and work toward the creation of favorable conditions for the application of different technologies in seeking solutions to the country's poverty situation and bringing about economic growth.				
131	The issues of famine, nationality, borders, seaports will not figure as agenda for debate in the 2017 E.C. elections.				

Random number	Randomly selected Vision statements (by 2020 E.C.)	1	2	3	4
141	All households and institutions in Ethiopia will use energy-saving lamps and other equipment; they will develop the culture of waste prevention and efficient use of energy.				
151	Ethiopia's education will be free from all foreign influences and will assume its true role as an expression of the peoples' cultures and needs.				
161	Urban Residents (male and female) will safeguard the security and health of their surroundings; create different sources of income; use their time, resources, power, knowledge, experience wisely for better development and creativity.				
171	Communication infrastructure development will be fostered and be big sources of job opportunities				

Random number	Randomly selected Vision statements (by 2020 E.C.)	1	2	3	4
181	The direct role of the government in the manufacturing industry will diminish, perhaps even fade away altogether, it will nevertheless continue to play an important role in the area of industrial research.				
191	Ethiopia will be a country in which democracy and peace have prevailed; freedom of the press is respected, where the rule of law and justice reign supreme; its peoples live in freedom, equality, fraternity and unity; and a country completely freed from poverty and dependency				
201	Pastoralists will benefit from the 'livestock revolution' in 2020 and from the international market for organic products, thus facilitating and accelerating development in the area.				
211	Maritime transport will have developed to enable reliable access to sea ports				

Random number	Randomly selected Vision statements (by 2020 E.C.)	1	2	3	4
221	There will be an auspicious policy environment suited to practical engagement of the 'modern civil society organisations or simply NGOs, to contribute more to Ethiopia's fundamental and sustainable development.				
231	Ethiopia will be capable of competing in the world market and sitting on a par with the middle-income countries of the world.				
241	Ethiopia will have a robust national security policy that is based on broad participation of the people, the contributions of educational, research, government and nongovernmental institutions and agencies; and experience of other countries.				

Annex 3.1: Chronicles of major research outputs and partners

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
1.	First Annual Report on the Ethiopian Economy	1999/2000	Friedrich Ebert Stiftung of Germany (FES); Norwegian Embassy and the Swedish Embassy
2.	Second Annual Report on the Ethiopian Economy	2000/2001	Department for International Development (DFID), Norwegian Development Agency (NORAD); Swedish Agency for International Development (SIDA); FES; African Capacity Building Foundation (ACBF)
3.	Different monographs on the PRSP, 2001	2001	DFID
4.	Land Tenure and Agricultural Development in Ethiopia	2002	SIDA and DFID
5.	Impacts of the Ethio - Eritrean Border Conflict on the Performance of the Ethiopian Economy	2002	ACBF, FES, Embassies of the UK, Sweden, Norway, Ireland and the Netherlands
6.	Role of Urbanization and Socioeconomics	2003	French Development Cooperation

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	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
7.	Performance and opinions of selected private firms on the overall economic environment of the country	2003	World Economic Forum and Harvard University
8.	The economic impact of family planning in Ethiopia	2004	David and Lucile Packard Foundation
9.	The Role of Agriculture in Ethiopia	2004	UNFAO
10.	International Competitiveness and the Business Climate in Ethiopia (Results from a Survey of Business Leaders)	2005	Ethiopian Chamber of Commerce and Sectoral Association
11.	Industrialization and Industrial Policy in Ethiopia, 2005	2005	Finland embassy and DFID
12.	Transformation of the Ethiopian Agriculture: Potentials, constraints and suggested intervention measures	2005	ACBF, FES, Embassies of the UK, Sweden, Norway, Ireland and the Netherlands
13.	Unit Costing of Major Poverty Oriented Programs of the Government	2005	Ministry of Finance and Economic Development

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
14.	Using Resources from Migration for Development in Ethiopia	2005	International Organisation for Migration (IOM)
15.	Women Empowerment and Impact of Women Development Initiative Project	2005	World Bank
16.	Evaluation of the Ethiopian Agricultural Extension with Emphasis on the Participatory Demonstration and Training Extension System (PADETES)	2006	CIDA, the Netherland Embassies, SIDA, and DFID
17.	The Role, Perception, and Impact of Civil Society Engagement in Poverty Reduction in Ethiopia	2006	Centre for International Studies, Dublin City University, Ireland
18.	Impacts of HIV/AIDS on Labor Costs in Ethiopia	2006	International Health and Development, Boston University
19.	Addis Ababa Labour Force Survey	2006	World Bank
20.	Addis Ababa Integrated Housing Program - As a tool for Sustainable Employment Generation	2006	World Bank

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	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
21.	The Agricultural Extension Program Evaluation	2006	ACBF, FES, Embassies of the UK, Sweden, Norway, Ireland and the Netherlands
22.	Unemployment Challenges and Prospects	2007	ACBF, the Royal Norwegian Embassy, the Royal Netherlands Embassy, the Swedish Embassy, the Ireland Embassy, the British Embassy, the Canadian Embassy and FES
23.	Land Policy on Land Registration and Title Certification	2007	World Bank
24.	Evaluating the Impact of Ethiopian Health Services Extension Program (HSEP)	2007	Global Development Net Work (GDN)
25.	A Study on Quality of Aid to Ethiopia	2007	CS-CAFÉ (Christian Aid)
26.	The Current Status of the Construction Industry	2008	ACBF, Norwegian Church Aid, the Royal Netherlands Embassy, the Swedish Embassy, the Ireland Embassy, and DFID
27.	Budget Assessment Study in view of PASDEP	2008	PANE

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
28.	Impact Evaluation of Ethiopia's Innovative Health Extension Program	2008	GDN
29.	Measuring Empowerment: - The Condition of Poor Women in Ethiopia and the Medium-Term Impact of Ethiopia's Women's Development Initiatives Project (WDIP)	2008	GDN
30.	The Role of Faith Based Organisations (FBOs) in Development in Ethiopia – Past Contributions and Future Prospects	2008	Norwegian Church Aid – Ethiopia
31.	Trade Relations between Ethiopia and the Sudan and the East African Community (Kenya, Tanzania and Uganda)	2008	FES
32.	Making Rural Service Provision Work for Women and the poor: The Case of Agriculture and Water Supply	2009	IFPRI

	Research output	Year of Completion	Partners/collaborators
	Services in Ethiopia		
33.	Improving Governance and Gender-Equity in Rural Services	2009	IFPRI
34.	Private Sector's Responses to the Current Global Financial and Economic Crisis	2009	ILO
35.	Baseline Survey of Rural Towns Electrification	2009	Ethiopian Electric and Power Corporation (EEPCO)
36.	Study of Quality of Foreign Aid to Ethiopia	2009	CS-CAFÉ
37.	Development, Prospects and Challenges of the Energy Sector in Ethiopia	2010	ACBF, the Norwegian Church Aid, The Royal Netherlands Embassy, SIDA, The Development Cooperation of Ireland (DCI) and the Ireland Embassy, DFID, FES, and International Development Research Centre (IDRC) of Canada
38.	International Migration, Remittance, and poverty Alleviation in Ethiopia	2010	ACBF, The Norwegian Church Aid, The Royal Netherlands Embassy, SIDA, DCI and the Ireland Embassy, DFID, FES, and IDRC

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	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
39.	Spatial Equity in the Provision of WASH Services	2010	Water Aid Ethiopia
40.	Population and Development in Ethiopia: Demographic Responses to Population Pressure and Social Change	2010	Packard Foundation
41.	Survey of Supply Side Constraints to Ethiopia's Export	2010	EU
42.	Revenue Potential and Gap Analysis of the SNNP Region	2010	SNNP Bureau of Revenue
43.	Economics of Adaptation to Climate Change	2010	World Bank
44.	A Survey of the Trade and Economic Relationships between China and India and Ethiopia	2010	FES
45.	Financial Sector Developments in Ethiopia: Performance, Challenges and Policy Issues	2011	ACBF, The Norwegian Church Aid, The Royal Netherlands Embassy, SIDA, DCI and the Ireland Embassy, DFID, FES, and IDRC

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
46.	Marginality Reduction for Enhanced Investments for and with the Poorest (MARGIP)	2011	Centre for Development Research (CDR-ZEF) of the University of Bonn, Germany
47.	Nile Basin Development Challenge: Rainwater Management in the Ethiopian highlands	2011	ILRI
48.	Food Poverty Situation Analysis Using the Food Basket Approach	2011	PANE
49.	Transport Sector Development in Ethiopia: Performance, Policies and Its Role in the Economy	2012	ACBF, The Norwegian Church Aid, The Royal Netherlands Embassy, SIDA, DCI and the Ireland Embassy, DFID, FES, and IDRC
50.	Managing Environmental Resources to Enable Transitions to More Sustainable Livelihoods	2012	TANGO International
51.	Women's Empowerment through Improved Resilience, Income and Food Security Program (WE-RISE) and Pathways Baseline Study	2012	TANGO International

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
52.	Market Assessment and Development of a Marketing Strategy for the Edible Oil Sector of Ethiopia	2012	ILO
53.	MDGs in Ethiopia: Achievement to-Date and Issues for Consideration beyond 2015	2012	PANE
54.	Private Sector Development in Ethiopia with Particular Emphasis to the Manufacturing Sector	2013	ACBF, FES, IDRC, and Civil Society Support Program (CSSP)
55.	Small and Micro Enterprises (SMEs) Development in Ethiopia: Policies, Performance, Constraints and Prospects	2014	ACBF, FES, and IDRC
56.	Fifth Round Ethiopian National Health Accounts (NHA) Household Survey	2014	USAID
57.	Technology (ex-ante) assessment and farm household segmentation for	2014	University of Bonn, CDR-ZEF

	Research output	Year of Completion	Partners/collaborators
	inclusive poverty reduction and sustainable growth in Agriculture		
58.	Economics of Land Degradation in Ethiopia	2014	University of Bonn, CDR-ZEF
59.	Prospect and Challenges of Structural Transformation in Ethiopia	2015	ACBF, FES, and IDRC
60.	Ethiopian Project on Interlinking Insurance with Credit in Agriculture	2015	University of California San Diego
61.	Poverty Dynamics, Health Shocks and Coping Strategies in Ethiopia	2015	OSSREA, ISS, University of Gottingen, Erasmus University of Leiden
62.	Agricultural Transformation in Ethiopia: Prospects and Challenges	2016	ACBF, FES, IDRC and USAID
63.	The Role of Domestic Policies on Food Security: Cases from Ethiopia and Burkina Faso	2016	USAID
64.	Prospects for Harnessing the Demographic Dividend	2017	Population Reference Bureau of USA

	Research output	Year of Completion	Partners/collaborators
	in Ethiopian		
65.	Fostering Employment in Productive Sectors to Maximize Ethiopia's Potential to Reap a Demographic Dividend	2017	Population Reference Bureau of USA
66.	Exploring the Future of Food and Nutrition Security	2017	European Commission
67.	Analysis and Implementation of measures to reduce price volatility in national and international markets for improved food security in developing countries	2017	University of Bonn/ZEF
68.	Early Labor Market Transitions of Women in Low Income African Countries- Ethiopia, Uganda, Kenya and Tanzania	2018	University of Sussex
69.	Migration, Remittances and Forest Dependence in Ethiopia: Implications for Food Security, Gender and Forest Conservation	2018	IDRC

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
70.	Enhancing the Role of Academia in Evidence Generation for Action in Health Care Financing Reform (HCFR) in Ethiopia	2018	USAID
71.	Challenges of Sustaining Ethiopia's Foreign Exchange Earnings from Exports and Remittances	2018	IDRC, ACBF, FES, and USAID
72.	Integrated assessment of the determinants of the Maize yield Gap in Sub-Saharan Africa: towards farm innovation and Enabling policies	2018	Wageningen University
73.	Fair Trade, Labor Markets and Women's Economic Empowerment	2019	University of Carleton (Canada) and Economic Policy (PEP-Kenya)
74.	Study on Improving the Registration of the Formal Land Rights	2019	DFID & DAI/HTSPE Ltd
75.	Economic and Welfare Effects of COVID-19 and Responses in Ethiopia: Initial insights	2020	Self-financed (EEA)
76.	The Economy-wide Impact of COVID-19 in	2020	Bill & Melinda Gates Foundation (BMGF) and

	Research output	Year of Completion	Partners/collaborators
	Ethiopia: Policy and Recovery Options		Open Society Initiative for Eastern Africa (OSIEA).
77.	Socioeconomic Development in Afar Region: Achievements, Gaps, and Priorities	2020	Bureau of Finance and Economic Development (BOFED) of Afar Regional State
78.	The Economic Significance of the Grand Ethiopian Renaissance Dam (GERD) to the Eastern Nile Economies: A CGE Modelling Approach	2021	BMGF and OSIEA
79.	Assessment of COVID-19 Effects and Response Measures in Ethiopia: Livelihoods and Welfare Implications	2021	BMGF and OSIEA
80.	Inflation and the Ethiopian Economy: Constraints, Drivers, Costs and Policy Options	2022	BMGF and FES
81.	Green Legacy Initiative for Sustainable Economic Development in Ethiopia.	2022	EU
82.	Agriculture-Industry Linkages for Employment	2022	EU

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
	and Economic Transformation in Ethiopia.		
83.	Agricultural Finance and Insurance in Ethiopia: Challenges and Policy Options.	2022	EU
84.	The Fiscal Performance and Resource Envelope of the Amhara Region	2022	UNICEF
85.	Rebuilding, Restitution, Rehabilitation, and Reconstruction of the Post-conflict Ethiopian Economy: Lessons and Policy Actions for Robust Recovery'	2022	Independent Council of Economic Advisors
86.	Gender Balance and Women Economic Empowerment for Gender-transformative Policy in Ethiopia	2023	BMGF
87.	The Nexus among Globalization, Natural Resource Rent, and Energy Consumption for Environmental Sustainability in Ethiopia	2023	BMGF

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
88.	Liberalizing Financial Sector in Ethiopia: Constraints, Consequences and Policy Issues.	2023	EU
89.	Construction Industry, Employment and Ethiopian Economy	2023	Construction Management Institute of the Ministry of Construction
90.	Revenue Potential of Somali National Regional State	2023	Revenue Bureau of Somali National Regional State
91.	Human Development Index Report for Oromia National Regional State, Ethiopia	2023	Oromia Planning and Development Commission (OPCD)
92.	Rural Out-migration in Oromia Regional State: Trends, Causes, and Implications	2023	OPCD
93.	Saving and Investment Dynamics in Oromia region, Ethiopia	2023	OPCD
94.	Drivers and Costs of Inflation in the Oromia National Region State of Ethiopia	2023	OPCD
95.	Multidimensional Poverty in Urban Oromia, Ethiopia	2024	OPCD

	<i>Research output</i>	<i>Year of Completion</i>	<i>Partners/collaborators</i>
96.	Assessing the employment impact of Chinese firms in sub-Saharan Africa		SOAS and Renmin University
97.	Integrated assessment of the determinants of the Maize yield Gap in Sub-Saharan Africa: towards farm innovation and Enabling policies (IMAGINE)		Ghana and Ethiopia' with Wageningen University
98.	Overview of the Farming Sector and Agricultural Policies in Ethiopia		Economics of Agriculture Unit of the European Commission