

Ethiopia's Governing Party is Rotten to the Core: commentary

Aklog Birara, PhD

The fundamental premise of this commentary is that only genuine commitment to FREEDOM and human rights of all citizens would assure Ethiopians sustainable and equitable growth and improvements in their lives. In turn, it is the institutionalization of these norms through free and fair elections that will establish a firm foundation for lasting peace and national reconciliation--singularly the most critical governance gaps in Ethiopia. Sadly, evolution toward this people-centered governance that I believe is essential for all Ethiopians is nowhere in sight if left to the governing party. The core group of this party believes that it can do no wrong. Instead of reform, the ruling party has gone haywire strengthening its spy network using the latest Internet technology to suppress any form of dissent and challenge. Revelations in the Washington Post that individuals in the US and the UK have filed suits against the Ethiopian government's breach of domestic and international laws by spying and snooping on American, UK citizens and other citizens of Ethiopian origin says it all. Simply put, each member of the Diaspora is subjected to violation of her/his rights regardless of ethnicity, religious, age, gender and social status. This extension is an affront to civilized behavior and to our humanity. The post Meles TPLF/EPRDF is unable to reform itself willingly. This is because the rest of us are divided, fractured and spend as much time demeaning one another as we do blasting the ruling party. Why is this so important?

In this century, we see everywhere that durable peace and stability can only be imposed from the top down by force only temporarily. Elections can be manipulated and bought as was the case in 2007 only temporarily. The people of Syria are paying a huge price, including their lives and livelihood because they want freedom and democracy. The people of Ukraine are fighting their own government for the same thing. Stifling peaceful dissent for justice is universal and has no boundaries no matter how harsh people are treated.

We know that repressive governance has not bought the TPLF/EPRDF public confidence and or trust. In fact, it has alienated it from the vast majority totally. "Double digit" growth can occur but the benefits rarely trickle down; the beneficiaries are few. It is primarily those who run the state and or are aligned to the state. The governing party recruits members literally by paying them. It has no assurance that the 5 million members will sell their hearts and souls in the event a better alternative appears in the political theater. This was the case in 2005. Ordinary Ethiopians know all of these and more. They live with a dysfunctional government each and every day and are paying a huge price for **it. This puts the burden of genuine democratic reform on the opposition and on civil society.** Simply put, the opposition must stop a political tradition of brinkmanship, bickering and hair splitting. It must close ranks, set aside minor differences and agree on a unity of purpose to unseat the governing party and save the country from an impending social and political catastrophe. The next election is around the corner but

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work has not been done. What makes me think that conditions are ripe? The indicators are everywhere for anyone to see. But, this takes courage and commitment from civic, religious and political leaders whether at home or abroad. Creating an organization today and collapsing it the next day is not the answer. Worshipping one's organization above country and above the Ethiopian people and demeaning others is not the answer. Seeking political power without a country or without the backing of the population is not the answer. The acid test of wise leadership and democratic-leaning change is the capacity to subordinate one's private interest, ego and ambition to the common good. A country of 94 million people deserves wise and people-centered political, civic and religious leaders. Opposing the ruling party by itself is not enough. Offering a promising alternative is what the Ethiopian people are demanding.

I decided to write this commentary instead of the more academic and seemingly mundane continuation on the Dynamics of Conflict connected to the Doha Conference for a reason. Each of us who care about the country and the dire situation Ethiopians face today must speak up and encourage opposition groups and civil society including those in the Diaspora to show courage and change now not tomorrow. They need to agree on a unity of purpose or they will remain irrelevant regardless of how often and how fast they talk. All indicators are on their side. The Ethiopian state is rotting under the weight of a single party bureaucracy that is self-serving, repressive, exploitative, divisive, corrupt and immune to any form of criticism and reform. Fortunately for the vast majority of Ethiopians who have not benefitted from "double digit growth for a decade," and for the divided and inept opposition, 2014 has not started as a good year for the governing party. I have absolutely no doubt in my mind that, given the high level of public appetite for representative and accountable government, a strong national opposition or opposition parties and civil society with substantially better and all inclusive organization, wise leadership and more promising policy alternatives will win in a landslide. The objective conditions are ripe for change. Below are a sample of globally recognized reasons.

Country Risk for Investors

The Economist's Intelligence Survey on country risks identified Ethiopia as one of the riskiest in the world, with a rating of 3 out of 4. It means that the country suffers from poor fiscal and monetary policies...heavy borrowing and deficit financing, massive credit allocation with insignificant or no collateral, low taxes and domestic saving, an unbelievable level of illicit capital outflow. As a recent article by Al-Jazeera showed, Ethiopia demonstrates a semblance of glitzy growth without equitable and fair distribution of incomes and wealth and without a foundation of sustainability. Staples are out of reach for ordinary Ethiopians. Close to "90 percent of the population is poor" and most are destitute. Employment opportunities for youth and females have not kept pace with the workforce. Ethiopia needs to generate at least two million

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jobs a year for several decades. Otherwise, the educated will continue to leave in droves depriving the country of productive and creative human capital. The value or purchasing power of the Birr has been reduced several times. An anonymous article in Amharic says it all. “ሲስቅ እንዳልነበር በደስታ እስከ ዛሬ፤ ዋጋው ቢወርድበት የሱ ምንዛሬ፤ ሳንቲም ሆኖ መጣ ሊቀድ የእኛን ሱሪ.” የዝምባብዌን ሁኔታ ያስታውሰኛል። የዜጎች የመኖር አቅም ተንዷል። ሰደት የወጣቱ ትውልድ እጣ ሆኗል።

Here is the bottom line. Ethiopia is one of the poorest and least developed countries on the planet, with a per capita income of \$390 per annum. I have argued in previous articles that it is development outlier. Yet, it has a few millionaires whose wealth is morally and ethically questionable. Income inequality is alarming. The rich and superrich should know that they live in glass houses. Growth is basically narrow with high incomes and wealth for a few. One observer notes that “Apart from a few tax havens, there is no country in Africa that has attained a high standard of living on the basis of services (commodity exports, my addition) alone.” This is true for Ethiopia where the rich and super rich consume what they do not produce and call this miraculous growth. Investors cannot invest their capital in productive areas unless and until nationals are in a position to buy and consume. A policy bias in favor of exporting commodities without an assurance of food security does not change the structure of the economy no matter how fast and how high the “growth story” is propagated. The country won’t achieve food security no matter how much land is taken away from indigenous people to make room for state and foreign owned sugar plantations. Smallholders including indigenous communities must be empowered to be owners and producers. The current growth model shows that, whether foreign or domestic, investors focus on speculative and quick return areas rather than on sectors and sub-sectors that strengthen domestic productive capacities, national ownership of assets, job creation and sustainable boost of the Ethiopian middle class.

Food Insecurity

The ruling party has failed in making Ethiopia food self-sufficient. The country is more food insecure today than at any time after the current regime took power or comparatively speaking before. The UN Food Program states that 14 million Ethiopians continue to depend on international food aid. Oxfam and a special broadcast by a major American television network showed emaciated children and mothers emanating in the Ogaden afflicted by a hidden famine that the governing party denies. There are ominous signs that famine will spread to other parts of the country. This recurring phenomenon has been contained and or eliminated in many countries including India and China. Wolfgang Fengler a leading specialist at the World Bank, put the policy issue clearly. “This famine crisis in Ethiopia is man-made” and should have been addressed by the ruling-party within its Agriculture Development-led Industrialization

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framework. It has essentially abandoned this strategy in favor FDI in large-scale commercial agriculture. This latest strategy has created social, political and environmental havoc.

Bribery and corruption

No matter how one looks at it, the vast majority of Ethiopians are sickened by a state that is rotten to the core. State institutions are corrupt. The World Bank funded two studies, the latest in collaboration with DIFID of Britain, CIDA of Canada and the Netherlands; and another last year conducted by Kilimanjaro International. Both studies reveal the depth and breadth of unprecedented state condoned and at best ignored bribery, kickbacks and corruption. This institutional culture is bleeding Ethiopians. Three hundred fifty foreign investors were surveyed and reported that almost all state institutions: revenue and customs, water, sewage, telecommunication, electric power, licensing and procurement, judges, courts, police, foreign exchange authorities, municipalities, land and building licensing agencies, infrastructure construction suppliers and contractors etc. etc. are involved in corruption. You ask a simple question and offer an answer. Who is above board and above blame? None in government. Who then provides basic services to Ethiopians whether they live in urban or rural areas? It is hard to find an official above reproach. Who has integrity and ethical value that goes beyond serving oneself, families, friends and those who cater to the governing party? It is each for herself of himself. What is the cost of all this to the society? It is not only billions of Birr; it is also moral decay. How can ordinary people afford to live under a state as rotten to the core as this? The vast majority are unable to eat three meals a day.

The latest World Bank draft report on corruption notes, "These employees can get paid a maximum bribe of 20 to 30,000 Birr per incident." It notes further that "Petty corruptions exist in every office" and ranges from "5,000 to 7,000 Birr" per transaction. This investigative report reveals what Ethiopians know from their life experience and have been complaining about for two decades. The fact that foreign investors complained has forced donors to conduct studies. They could have as easily and cost effectively surveyed Ethiopians who pay bribes to acquire basic services such as water, sewage, electricity and telecommunications. Government employees do not accept the fundamental administrative principle that they are paid salaries to serve the public. They do not have a model at the top of government of the decision-making who abides by the rule of law. Services are erratic and depend on power, connections, wealth and the capacity to pay bribes. **This is why I suggest that the system is rotten to the core and cannot be cured without radical reform and accountable government.**

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Personal safety and insecurity

Whatever reasons drove us out of Ethiopia, there is one inescapable fact, we are all refugees either by choice or forced by those who rule the country. The statistics are staggering. Between 1990 and 2006, out of 3,700 Ethiopia-trained medical doctors, 3,000 left the country by choice. These are largely economic refugees as are all migrants to the Middle East, North Africa, Sudan and the rest. Others leave because of political, religious and other triggers. All journalists and many human rights advocates, academics, former government officials, spiritual leaders etc. left because of their independent views or because they did not subscribe to the dictates of the ruling party. Whatever the cause, Ethiopian society has lost and is losing fundamental assets, values, traditions, history, mores and experiences that distinguish the country from the rest of the world. One cannot buy or restore these critical assets and values once they are gone. The overarching reason for this continuing exodus or Brain-Drain is repressive governance and the stifling of freedom.

People must have freedom to debate, to vote and to negotiate. Cruel and repressive governance teaches us that enduring peace emanates solely from a just, inclusive and participatory government and state. The acid test in Ethiopia's case today is whether or not the government is confident and bold enough to open-up social, economic, political and cultural space for everyone. I say this because the TPLF/EPRDF has outlived its value and legitimacy to govern the second most populous country in Africa and potentially one of the most prosperous. Ultimately, muzzling the entire society and stifling peaceful dissent is hugely risky for the country. In its 2014 assessment of freedom, the Committee to Protect Journalists says, "A year after the death of Prime Minister Meles Zenawi, Prime Minister Hailemariam Dessalegn succeeded in preserving the repressive climate in Ethiopia. The country faced international condemnation over imprisonment of award-winning journalists Eskinder Nega, Reeyot Alemu and Woubshet Taye, who were serving heavy terms on vague terrorism charges. Authorities continued to crack down on online press by increasing "technological capacity to filter, block, and monitor Internet and Mobile communication." Similarly, Freedom House has repeatedly noted that Ethiopia is one of the "unfreest or least free countries" in the world, in terms of personal safety and security and in terms of private ownership of assets.

On the surface, Ethiopia has the appearance of peace and stability. However, social, religious and political fissures are everywhere to see. The ruling party uses diversity as a wedge rather than as an asset. Evidence shows that government has not tapped fully into the country's immense diversity, natural resources, strategic location as a hub of the African continent and as a bridge to North Africa and the Middle East. It has not offered its youthful population—64 percent under 24—employment opportunity. It has not harnessed modern information

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technology that is transforming poor societies to tackle poverty, boosting the middle class and increasing incomes (Bangladesh, Kenya) etc. etc. The Ethiopian government is one of the few anywhere in the world to retain state control of the telecommunication sector, a cash cow that generates \$300 million per year. "The absence of competition has seen a country of 94 million lag badly behind the rest of the continent in an industry that has generally burgeoned alongside economic growth...with mobile phone penetration of 70 percent in SSA compared to a paltry 2.5 percent in Ethiopia; internet access of 40 percent in Kenya." 4/

Modern IT opens windows for private enterprise and employment. It enhances freedom and facilitates knowledge transfer. It serves as an essential tool for youth to better themselves. It is at the heart of the quest for choice and freedom from poverty and oppression. **Government** unwillingness to give space, be all inclusive and unleash the creative potential of the country's youth and harness the peace, gender (females) and information technology dividend, including freedom of expression, have diminished national social cohesion and deterred productivity and the emergence of a robust national private sector.

Africa Business quotes Guang Z Chen, World Bank Country Director, Ethiopia, who asked the Ethiopian government "to allow the private sector to play a bigger role in the economy." Chen says, "For the country to continue to grow I strongly believe industry has to take a much bigger role because there is no other country that I am aware of, aside from resource-rich countries, that can grow to middle income status with still 50 percent of GDP on agriculture." Those with talent and experience leave the country in droves. The ruling party substitutes Ethiopians by inviting foreign investors, technical and professional staff and by staffing key posts with political cadres. The private sector suffers from lack of access to credit, foreign exchange, land, licenses and permits. Procurement of goods and services is not transparent or competitive. "Making credit available for the private sector is certainly one area the government can do more. The trend that worries us is that while the public investment (the biggest source of bribery, favoritism and corruption) as a share of GDP is increasing, the private sector as a share of GDP is decreasing" as are savings. Illicit outflow of scarce capital continues unabated, reducing capital resources. 5/

By all measurements, the government fails to empower and unleash Ethiopia's productive potential. It counters national cohesion and integration by pitting ethnic, political and religious groups against one another. This is the opposite of global trends. For example, Ghana outlawed ethnic political formation. Most Ghanaians trust their government officials; and have freedom to change their leaders through free and fair elections. Ethiopians do not trust their government. A 2010 Gallop Poll shows that trust in government and its institutions is among the lowest in Sub-Saharan Africa. Those with wealth are leaving the country in droves and

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voting against the government by not investing in their homeland. Only faith institutions such as Christianity and Islam garner trust and confidence. The governing party has tried to politicize them; both faiths are under constant harassment and threat.

Change must come from within

Ethiopia is one of the few countries in the world where social change has always come from within. The 1974 Revolution was a result of the Ethiopian Student's Movement that galvanized the entire society. It was national and not ethnic or religious. It was transformative but not well designed, planned or executed. In this sense, the country has gone backwards: from a national to that of an ethnic political and social order. This entails risks and unintended consequences. Observers within and outside Ethiopia agree that the Socialist Military Dictatorship that toppled the Haile Selassie government in 1974 and ruled the country with an iron-fist for 17 years was among the most oppressive. Its leaders, leftist groups with different ideologies and motives, foreign sponsors, ethnic-based liberation movements, supporters of the defunct Imperial system and others turned the country into a blood bath. Most of those killed were patriots, social democrats, leftists and other change agents. Hundreds of thousands of young people were murdered; and hundreds of thousands fled. This period triggered the first wave of **human capital flight at a massive scale. A trend was established.** Before then, Ethiopians sent overseas for further education returned home. Today, an **estimated 5.5 million Ethiopians**—almost all with high school education and 1/3rd with college education—live and work in the two Sudans, Saudi Arabia, the Gulf, Western Europe, North America, Australia, New Zealand and numerous Sub-Saharan African countries. Ninety one percent of domestic workers in the GCC are Ethiopian females aged 20-30. In 2009, 42,000 Ethiopians, most of them young, left through Yemen; 80 percent of Ethiopia-trained physicians leave the country each year, etc.

Shouldn't donors care for the rule of law or representative government?

While donors praise Ethiopia's remarkable growth, albeit from a low base, human rights groups and unattached development experts question social benefits. "Meles engineered one party rule in effect for the TPLF and his Tigray inner circle, with complicity of other ethnic elites that were coopted into the ruling alliance....**Ethiopia's much praised economic development is not as robust or cost-freeas** the international community believes...The system was entirely dependent on central authority or command and control." It will be impossible to receive aid without showing some growth. Education opportunities have expanded. The number of colleges and universities has increased. Roads, bridges, hydroelectric dams, etc. have been built. Equally, it will be unthinkable to siphon-off capital unless there is something to siphon. 6/

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Sharp criticism of “Ethiopia’s renaissance” is buffeted by others. Following the death of Prime Meles in August 2012, Halvorssen and Gladstein of Forbes critiqued donors and the Ethiopian government’s Anti-Terrorist Law. “Those in the West heaping praise on Zenawi—all living in societies that suffered so much to achieve individual liberty are engaging in dramatic hypocrisy.” In a 2009 UK Department of International Development sponsored study of Ethiopia’s growth Stefan Dercon and Ruth Vargas suggested that “The magnitude of this growth and the fact that it has been achieved with little change in input use suggests something is not right with the data on agriculture.” In 2012, the IMF questioned Ethiopia’s growth sustainability. “The sustainability of Ethiopia’s growth model over the medium term is uncertain, given the constraints on private sector development, the absence of savings incentives, lack of financial reform, etc.” Despite these policy and structural limitations, the government argues that export-driven growth is possible without a robust domestic private sector. Critics argue that mega projects (hydro) to export and generate foreign exchange do not respond to the real need of improving smallholder agricultural productivity, domestic agriculture-based industrialization and employment generation. The counter view is that such state and party-led growth cannot create sustainability without competition and participation.

If we accept the thesis that Ethiopia’s development story is not “as robust and cost free” as the government and donors claim, what is root cause of the flawed policy? It is lack of freedom and predictability that private property is protected by law and cannot be affected by political decisions. Private sector development is virtually impossible without a favorable investment regulatory system that levels the playing field. The rule of law and the judicial system must be above the party, sacrosanct and predictable. In 2013, the country ranked “49.4 percent, making its economy the 146th, among the least free in the world. It has gone down by 2.6 %; lower in 6 of 10 indices: trade, workers’ rights, financial movement, investment, etc.” It ranks 32nd out of 46 African countries. “Regulatory efficiency remains weak, creating an unfavorable climate for entrepreneurial activity...The foundations of economic freedom are quite fragile, particularly because of pervasive corruption and a deficient judicial system...Corruption further undermines the foundation of economic freedom” for the Ethiopian private sector. It goes without saying that such an environment operates in the “dark” and limits productivity and efficiency severely. Both the country and consumers suffer. 7/

Human Rights Watch has done more than any human rights organization to show the flaws in the nexus between of massive aid inflow on the one hand, discrimination, nepotism, corruption and repression on the other. “Development aid flows through, and supports a virtual one-party state with a deplorable human rights record. Government practices include jailing and silencing critics and media, enacting laws to undermine human rights activity, and hobbling the political

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system. Aid is routinely used to punish opponents and reward supporters. Massive amounts of money is siphoned-off for private gain. The effect of this on the population is substantial. "The Ethiopian population pays a heavy price for this approach in development." The 2005 elections that the opposition won and then lost through a political decision is a prime example. Similarly, in 2010, "the EPRDF won 99.6 percent of parliamentary seats," making a mockery of the electoral process. Competition was not allowed. 8/

TPLF/EPRDF Members Need to Air their Voices

Hope among Ethiopians that the ruling party would be open to reform has evaporated. "Ethiopian authorities have subjected political detainees to torture and other ill-treatment at the main detention center in Addis Ababa." In a 70 page report, Human Rights Watch "documents serious human rights abuses, unlawful interrogation tactics...beatings, torture and coerced confessions." The court system caters to the party alone. "Ethiopia's courts are politicized and lack independence." Their role is to serve the ruling party and not to administer justice. "Beatings, torture and coerced confession are no way to deal with journalists or the political opposition---Ethiopia's Constitution and international legal commitments require officials to protect all detainees from mistreatment....Real change demands action from the highest levels of government against those responsible to root out the underlying culture of impunity." This impunity is expansive. Bribery, ethnic-based nepotism, high corruption and illicit outflow of funds stem from the system itself. High officials and top military officers operate above the law and all are vested in the system that enriches them. 9/

Top officials of the governing party do not see anything wrong with their manipulation of the Constitution and with violation of human rights contained in international agreements. Following the aftermath of the 2005 elections in which 200 young and innocent Ethiopians were massacred, Ana Gomes, member of the European Parliament and Head of the EU Election Team to Ethiopia saw the danger of impunity as a political culture. She concluded, "As long as the Meles regime is in power, I will never believe in an election in Ethiopia." Meles is gone but his legacy remains intact. Measured in terms of freedom, human rights, transparency, fair and open political and economic competition and rampant and systemic corruption, the country is worse off than it was in 2005 and 2010. To his credit, Prime Minister Hailemariam Dessalegn is fully cognizant of the dangers the country faces in one area of poor-governance, namely, **corruption**. A few high officials have been arrested. However, corruption is systemic. Those at the top of the corruption culture are protected by a system that feeds their wealth. The development strategy of relentless public investment offers a window of opportunity for theft, graft, kickbacks, corruption and illicit outflow through procurement, customs etc. The system is infected from the top down. It will not stop until and unless the system is overhauled radically.

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Radical reform means political reform; a modern monitoring system; and the establishment of an independent oversight consisting of civil society and prominent individuals with impeccable integrity. Transparency International, UNDP and Global Financial Integrity provided documentary evidence showing systemic corruption that requires real commitment to hold corrupt officials at the top and private individuals accountable, including freezing their assets. **“The people of Ethiopia are being bled dry. No matter how hard they try to fight their way out of absolute destitution and poverty, they will be swimming against the current of illicit capital leakage.”** 10/

Ethiopia faces intractable vulnerabilities and risks

The hurdle Ethiopia faces on the economic front is equally prevalent on the human rights front. “Rather than working to build a development strategy grounded in human rights, the Ethiopian government is attempting to hoodwink its human rights record, leaving unmentioned its Villagization Program and the Anti-Terrorist Proclamation—both used by the government as significant justification for forced resettlement, arbitrary detention, and politically motivated arrests. Tools used in implementing projects reinforce violation of human rights and the uprooting of indigenous people from their lands,” all in the name of development “without freedom.” The lack of people-centered development contributes directly to the prevailing phenomenon of growth for the few and gaping inequity that will feed into and cause social unrest similar to Tunisia, Libya, Yemen, Egypt, Syria and rest. Here is the good news, Ethiopian society has overcome its veil of fear imposed by the system. Opposition groups, spiritual leaders and others are openly critical of the government. Peaceful protests are common. Some of the party's hard core supporters are critical of corruption and open favoritism in hiring and licensing. On February 8, 2014, Binyam Kebede, an ardent interlocutor of the ruling party offered blunt critique of the disaster the party and society are facing. In **“ኢህአዴግ ከብደት ካልቀነሰ ለህይወቱ ያሰጋዋል።”** His central argument is that the ruling party has literally stopped serving the public. On the contrary, the party has “imposed a burdensome and crushing bureaucracy on citizens extracting rent, demanding bribes and not providing basic services....It has morphed and does not listen to its own electorate....There is a dark and ominous distance between the ruling party and the public.” This cadre is saying what dissidents and opposition parties have been saying for years.

Think tanks such as Human Rights Watch and Oakland Institute do not see sustainable development unless human rights and freedoms are protected by law and enforced by the government. The genie of corruption and fear is out of the box and the quest for freedom is unstoppable. The option is not more repression. It is opening-up political and social space sooner than later. In sum, **“No Human Rights=No Development and no stability.”** 10/

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To be continued

Continuation to be posted on March 10, 2014