

Is Ethiopia the next Ukraine (Part 1)?

By Worku Gebeyehu Lakew, author of *Empire and Revolution in Ethiopia, AA, 2018*

The question is not as sensational as it sounds. Admittedly, there is no longer any serious soviet/Russian presence in Ethiopia/HOA and Africom, the Djibouti based US command for Africa is not NATO. If the United States is in Ethiopia, as it is, it will be because of African and Middle Eastern geopolitics but a more recent addition to these factors is the presence of China, it's newly declared existential threat. China is deeply embedded within the Ethiopian economy and easily, its largest investor and source of imports and technology. And there is a contested swing from Chinese influence in economic development strategy which had taken place in the period after the death of Prime Minister Meles, but started during the last few years of his rule, towards a more confident neoliberalism and towards the United States, now and still in the making. However the driving shift that the title of this article suggests is not one of cold war driven geo politics but of political economy and direction of the future development of the country. While this is in some ways in a state of flux, in other ways the US has long ago decided that it is in the interest of the national security of the US to be the dominant superpower geopolitically, and from a security and military viewpoint, in Ethiopia. Increasingly, this shift is also happening in the field of the development of the economy and capital markets. One of the key questions is, can the national security interest of China accept being subordinated to the US and can its economic interests be totally in hoc to this global hegemonic superpower in Ethiopia? While this is an important question the article's main focus is the changes that have already taken place in Ethiopia and what may still be happening in the near future.

Introduction

Just like 1933, 1964, 1974 and 1995, Ethiopia is at a crossroad once again in 2018/9, not sure which way to turn. The stakes are very high but this time there seems to be a solution in sight judging from the tremendous and unanimous chorus of the global western press. Or is it?

Ethiopia and the Western Press

If you look at the last 500 items of reporting since March to December 2018 including news coverage, opinion pieces, and analysis, only one conclusion emerges. Under a 42 year old charismatic leader called Dr Abiy Ahmed, Ethiopia is becoming a beacon of hope, democracy, peace and freedom as well as an example of regional integration and a model for all least developed countries. The verdict is 100% with no dissenters or caveats and the cheer leaders are the usual suspects: The New York Times, The Washington Post, The International Herald Tribune, The Wall Street Journal, Bloomberg, The Financial Times, The Economist, The Guardian, Le Monde, Reuters and prominent regional websites such as All Africa press .com just to name a few . Not even one note of caution, or scepticism or dissention or the usual allusion to the benefit of the doubt is allowed to get in the way. The leader hasn't even yet submitted his person or his party for public election or produced a manifesto of what he wants to do or what he believes in. Having said that, the way things have been going, if he called an election now, there is no doubt that he will be elected by a huge margin, if he can find a way of distancing himself from the bad karma of EPRDF,

the coalition that has been in power for the last 27 years and has been responsible for the suffering of the people and the country.

However, the deafening chorus of the neoliberal press in the West is enough to make you suspicious that something orchestrated is afoot and the media is keen to put all of us on blinkers, let our guard down and forget about due diligence or critical thinking.

Why is this important and relevant to progressive politics?

Ethiopia is one of the key countries in sub-Saharan Africa and the second most populous. It is very important to US foreign policy after Israel, Japan, South Korea, Taiwan, Germany, the five eyes, Egypt and Saudi Arabia. Its new leader has been nominated for the Nobel Peace Prize 2019 by non-other than the Norwegian Nobel prize committee and is considered by some as a shoe in. The reason for this award is his initiative in making peace between Ethiopia and Eritrea who had fought a bloody war in 1998 over a tiny piece of some godforsaken barren land called Badime in the border between the two countries. Some 80,000 people were killed and hundreds of thousands maimed and wounded in this war and the state of war had continued until Dr Abiy suddenly turned up in 2018. He came out of the blue, as no one inside or outside the country has really heard of him. But even now no one seems to be any the wiser about his economic political social and moral philosophies or his guiding ideology. There was so much wrong under the 27 year rule of the TPLF that fixing some of the disasters was enough to create euphoria about his emergence. Until his arrival it seemed like an impossible situation and a tragedy of epic proportions and that the country and the people had lost all hope of getting rid of this yoke.

Ethiopian Basics: politics and economics

Ethiopia is a country of nearly 110 million people, projected to reach over 200 million within a generation (1). Its capital city, Addis Ababa, is according to some, the third diplomatic capital of the planet after New York and Geneva, as the Headquarters of the African Union, The UN economic Commission for Africa and numerous international and regional organisations. Its economy, growing at an average of 10% a year for the last ten years, although starting from a low base, has been the fastest growing in the planet that you have never heard of. It is the centre of African Diplomatic activity, where almost all its summit takes place several times a year, every year and straddles one of the most important and strategic corners of the planet, the Horn Of Africa, with the Red Sea port of Djibouti, gateway to 27% of global sea borne trade that makes its way through the Suez Canal. Its capital as well as other outlying cities is growing high rise buildings almost like Jack and the giant beanstalk. It is the hub of Ethiopian Airlines, which is the major air route and gateway for anyone from Europe the US and Asia wanting to enter sub-Saharan Africa. The World Economic Forum, the major network for neoliberals, which normally meets in Davos, Switzerland, will have its next meeting for 2020 in Addis Ababa, Ethiopia, a first for any such meeting in AFRICA.

More interestingly, It has the lowest monthly minimum wage for industrial workers in the planet, at around \$20 US a month (2) and consequently, every consumer facing global multinational is rushing in at the speed of light to invest in its new enterprise zones (H and M, Zara, GAP, Kelvin Kline, Tommy Hilfiger, PVH, Levis, Hugo Boss, Georgiou Armani, and so many others are already there) most of them since the arrival of the new leader.

VW, Hyundai, Lancia and other car manufacturers have already set up factories in 2018 and 2019 and others such as Ford and General Motors are in the pipeline.

Ethiopia offers a carrot worth four trillion dollars in the next 30 years

Among the reasons for this development is the fact that there is an estimated Ethiopian labour cost arbitrage of some 4 Trillion US dollars (3) for global multinationals over the next thirty years or so compared to the \$170 a month minimum wage in Dongguan China. It is looking like the new western gold rush of the planet with abundant supply of cheap labour, cheap or even free, state owned land, educated workers, high levels of literacy, an emerging logistics industry and supply chains, and a Confucian type work ethic and family values necessary for stability. It is building 16, ready to move in, enterprise zones to accommodate this new western and eastern gold rush, eleven of which will be completed this year, 2019 and this will rise to 30 by 2025. It has 85% of its population under the age of 35, a demographic dividend waiting to be claimed by multinationals. Once that has happened there is also the newly emerging middle class, already in the process of entering middle income status, and hungry for luxury goods and ready to consume anything that the multinationals will throw at it. The point is not to begrudge MNC's a fair return for capital invested. It is to ensure that Ethiopian capital owners as well as workers also get a fair crack of the whip and share in this arbitrage.

In short it is the new China without the sometimes annoying presence of the Chinese Communist Party (from the point of view of MNC's), or the regulatory burden that multinationals could do without. It is the only country in the world that hasn't been colonised by an outside force other than Thailand and perhaps Iran. We are right to ask the question: what is happening in this country and can it be saved by neo liberalism?

Recent history of Ethiopia and the failed revolutions

It is also one of the oldest countries in the planet and according to some geologists, reportedly the origin of all modern human beings (*Homo sapiens*) who migrated out of the Omo Gorges in Western Ethiopia some 70,000 years ago and eventually displaced other forms of hominids that had populated the rest of the planet (4).

According to an American Historian (The wonderful Ethiopians of the Ancient Cushite Empire, by Dr Houston Drusilla) in a book which was published in 1926 in the US, the Ethiopians were the first people in the planet to practise government, the rule of Law, to domesticate plants and animals and to practise agricultural cultivation based on crops, and to worship an organised religion based on a monophyite system of a Universal God. (5) I must add that the historian does cite impressive sources of reputable scholars from the age of antiquity but no other author had followed her in her research or repeated her claims since. Of course this doesn't necessarily mean that the researcher's claims are not true, in a world where history is recorded and narrated mostly from an Anglo Saxon viewpoint.

Zoom forward to the future and eventually, Emperor Haile Selassie emerged as the first modern monarch of the 20th century but his rule was interrupted by Italian aggression before they were thrown out following five years of guerrilla warfare and a British expeditionary force from the Sudan that accompanied The Emperor in 1933.

After the war, the Emperor failed to modernise fast enough and the pressure cooker effect of delayed reforms meant that the anti-feudal and capitalist revolution couldn't even wait for a vanguard class or party to get its act together and burst like a volcano in 1974. The empire was under severe assault from nationalist forces in the North in Eritrea and in the south and west from the Oromo's and the Somalis that were the first shoots of opposition to the multinational state.

The progressive forces of the anti-feudal movement as well as the small anti-capitalist movement eventually managed to organise themselves half way through the mass revolution of 1974 but were unable to dislodge the young military officers and NCO's that had managed to clutch the coattails of the mass movement and ensconced themselves in power in a sort of creeping coup. Just like in the October revolution of 1917 in Russia, the left forces spearheading the assault on antiquity split into Bolsheviks and Mensheviks based on the same issues of the question of the right to independence of nations within the empire and also on the question of tactics and strategy on state power but in so doing also managed to attract competing superpowers to the area to engage in their usual game of cold war geopolitics from which the revolution never recovered.

The February Revolution of 1974 and EPRP

The first modern political party to emerge in the history of the country was a new left party called EPRP (Ethiopian People's Revolutionary party) and its militant and revolutionary publication Democracia, which tried to organise the revolutionary forces and the people to peacefully overthrow the feudal monarchy and the weak national bourgeois class. It eventually, organised a four day general strike with the national unions of the nascent working class movement and the millions of young supporters that it had organised in a youth wing. Battered by the Eritrean independence movements waging an armed struggle in the north and the insurrectionary masses in the centre, the feudal class was isolated and gave up its political power but it was replaced by a military Junta of junior officers.

The young radical party opposed the military rule of the soldiers by calling for a provisional people's government instead of a military dictatorship. The intensity of the left push and the continued mobilisation of the youth, the workers, the peasants and the intelligentsia was so ferocious that the Junta tried to buy breathing space by enacting a land reform that nationalised all land in rural and urban areas, as well as housing, industry, agriculture, financial services and commerce but this wasn't enough to win it acceptance and resignation from the insurrectionary forces, who raised the question of peoples political power, democracy and peace as well as bread. The army, unable to meet these demands or to preside over the complete dissolution of an old class system and rule, lurched towards brutality. Both the military dictatorship of the Dergue and its followers in the Ethiopian Workers Party who ruled for 18 years and later the TPLF dictatorship and its EPRDF supporters who ruled for 27 years, have done their very best to denigrate the EPRP into some kind of monster and to rewrite the history of the February Revolution over the last 45 years and a generation has grown up which knows nothing except horror stories about this first political party of Ethiopia. The truth has only started to come out now in small dribs and drabs.

United States Intervention to derail the February Revolution

Due to the still weak strength of the popular February forces that wasn't sufficient to capture state power, this struggle resulted in the army moving towards a fascist dictatorship that also developed a geopolitical dimension by involving the USSR. This in turn intensified US involvement. The US finally found a way to get round the new left movement by fully aligning with and embracing a very small ethnic nationalist movement fighting for secession in the northern province of Tigray, that also described itself as Marxist Leninist, called the TPLF . It didn't take long to convince the latter to inherit the whole empire instead, and in the process turfing out the USSR as well as finishing off the anti-fascist new left forces who had by then taken up an armed struggle in the north of the country (6). In order to achieve this objective, the US spent hundreds of millions of Dollars on the project and coordinated, under the counter, key European and western allies and some Middle Eastern and African countries, as the task proved to be a formidable one. The price that the TPLF had to pay for this support was to give up any pretence it had to be a socialist or progressive force and to embrace a form of neo liberalism which it tried to disguise under some made up theory called the Developmental State. It didn't really wash with the people or the international community. It was just a corrupt, dictatorial and authoritarian enrichment of ethnic elites. You can only understand the ferocity of the radical struggle in the country for the 45 years between 1974 and 2018 by looking at the fact that all the principal political military actors from the fascist military Dergue , to the TPLF and the other actors such as the Mensheviks who supported the Fascists, civilian supporters of the Dergue in the Ethiopian Workers Party described themselves as communist or socialist while they were engaged in the extermination of each other and the general public. And they were all united by their opposition to the only party that described itself as a people's revolutionary party fighting for a democratic revolution, the EPRP.

In the end, a country of some 80 million people ended up being ruled by a small ethnic supremacist group, the TPLF, which hailed from an ethnic group that accounted for 6% of the population and presided over an ethnic federation which it completely dominated and manipulated for some 27 years.

The US blueprint for Ethiopia: the Jimmy Carter constitution of ethnic federalism

Under the strategic guidance of Henry Kissinger, then head of the NSA, an ethnic federalist constitution (the Jimmy carter constitution, so called because his approval of the architecture of the London conference of 1991 and its outcome paved the way for it) was drawn up, whose fundamental purpose was to ensure that the US never had to face a secular and left leaning political movement which, in its last incarnation (EPRP), had left the US with a feet of clay and as a total bystander in an epic political event unfolding in the western world. The US got itself a client state, while throwing a fig leaf of ethnic federalism to long simmering ethnic grievances that exist in any old empire of Nations.

The United States and the TPLF: honeymoon, divorce and the GERD

After the fall of the military junta, the US felt that it had done all the heavy lifting in Ethiopia, getting rid of EPRP and as an added bonus the pro USSR military Junta , the Derg, and expected to be

rewarded with a vassal state which prioritised US national security interests. For the first 17 years things were going swimmingly (including the TPLF intervening on behalf of the US to turf out an Islamic insurrection called Al Shabab, in the neighbouring country of Somalia and this was done under the oversight of General David Petraeus, of Iraq fame) and all was well until the Arab spring came.

The Arab spring put enormous pressure on US Egyptian relations as the primary aim of recent US foreign policy, unconditionally defending the state of Israel, was falling apart under the coming to power of a pro Hamas Moslem Brotherhood government in Egypt under Morsi, which had emerged as the victor of the post uprising elections to replace the discredited Hosni Mubarak government.

For years, the US had been able to get around the Nasserite regime, and the Arab league by pressuring the Egyptians with the possibility of damming or diversion of the Blue Nile at source , further upstream in Ethiopia, where 95% of the peak flow for Egypt comes from , thereby creating an existential problem for the Egyptian state and its people. It has been able to do this by turning on and off the spigot of Blue Nile damming near source, by either encouraging or discouraging the dependent Ethiopian regimes under Haile Selassie through carrot and sticks and turned to the same old workaround around 2011-12 in the middle of the Arab spring. Since the 1950's this workaround has worked wonders for the US during the first and second Arab Israeli war, as well as during the Aswan Dam and the Suez canal crises, and has even managed to force Nasser to sever his ties with the USSR at a crucial point(7). The Ethiopians under Meles, as PM, responded to the "on" side of the equation favourably, as the US suddenly reminded them of the existence of a completed study to dam the Nile near the Sudanese border. The old study, completed by the US government, could generate enough power to compare with nearly seven nuclear power stations, making the country completely energy sufficient as well as a net exporter. The studies were dusted off the shelf with US help and resurrected and submitted on cue to the World Bank for funding.

The United States, Egypt, the Arab spring and Ethiopia

The Ethiopians had lost their corporate memory of this routine due to the complete demise of the ancient regime and its experienced mandarins, who had followed the aristocracy and nobility to the shooting range or to exile and prison during the February Revolution of 1974 and the Girondist period that followed it. By this time, after the world Bank started its deliberations on the funding of the Dam, the Egyptians had got the message fully and the pro- Muslim brotherhood Egyptian army had been prevailed upon to come out in support of the millions of demonstrators, whipped up among other methods, by the 15 or so NGOs who were US government, Soros foundation and western (German Marshall Fund etc.) funded, and who worked the social network groups and pages to mobilise indignant Egyptian youth and civil precariat on various liberation issues such as gender, democracy, poverty etc., against the Muslim brotherhood. Morsi had fully understood the role of the NGO's and had suddenly expelled them by decree but it was too little too late. The Army under General Al Sissi has joined the revolutionary masses in Revolution square, in full public view of a tense and watching global television audience, when an advance group of the Egyptian armed forces dramatically and symbolically arrived to join the insurrectionary masses with a dozen helicopter gunships. And the Moslem brotherhood and Morsi were, not so quietly, frog marched to the prison blocks to join Hosni Mubarak and company, who had preceded them.

The existential danger to the uncontested hegemony of the Israeli state in Middle Eastern geopolitics had been averted in the nick of time and it was time to complete the second part of the equation. Just as before, the Ethiopian funding application to the World Bank was blocked on a technicality, that of not having consulted the riparian states of the Nile farther downstream. The US World Bank veto was wheeled out, not for the first time, to do the coup de grace.

The TPLF being fairly new to the shenanigans of client state manipulations by great power geopolitics, was highly incensed and made the mistake of looking a gift horse in the mouth. It mobilised its supporters inside the country and vowed to fund the Dam through internal resources. It started the fund-raising of 4 Billion US dollars from the public and the Ethiopian Diaspora and even more interestingly, went ahead and accelerated the construction of the dam. By the time GERD (Great Ethiopian Renaissance Dam) was some 40% complete and there was talk of filling up the Dam in five years, which would cut down water flows to Egypt significantly, the Egyptians were totally alarmed.

US instructions to Meles to desist were ignored. Within the same year Meles got suddenly ill and died in hospital in Austria. During the funeral, the TPLF circulated a leaflet in the regional capital Makalle claiming that Meles was killed by the Americans but the reference in the web to the leaflet was later deleted.

The US low brow and slow colour revolution in Ethiopia (2015-2018)

The four years that followed Meles's death saw the TPLF in almost open conflict with the US administration. The ethnic based party was getting it in the neck both from the Ethiopian public and the opposition as well as the Americans. A slow colour revolution that took three years to unfold was launched, within the Oromo nation, within a youth movement called the Queero, two years later followed by a similar movement within the Amhara nation, directed at the power and rule of the TPLF. The leadership of this colour revolution was based in the United States and Germany and instructions for the mass movement, road closures, fuel blockade of the capital city Addis Ababa, etc. was passed to the followers using social media in full public view. It is interesting that the person in charge of policing the Ethiopian social media at this time was none other than DR Abiy as head of the Ethiopian NSA. The latter was an almost carbon copy of the US NSA, suitably set up with the supply of hardware and software as well as consultancy and project management by the US NSA, just in time, after DR Abiy finished his apprenticeship stint of two years in the United States.

To complete the colour revolution, the US played host to a barrage of television and radio broadcast assault against the TPLF (the very popular ESAT broadcasts from Washington) using instant and secret information about the deliberations of the TPLF and EPRDF leadership as well as party and government decisions and activities that was mysteriously made available to the US based journalists. The TPLF was now fully isolated and suddenly a young Oromo ex-army intelligence officer called Dr Abiy, assumed the helm in an internal reshuffle that saw the TPLF marginalised from the four party coalition that it had always dominated for 27 years.

The incredibly remarkable Dr Abiy Ahmed

Dr Abiy could have been artificially manufactured in a laboratory for Ethiopian leaders. He was a perfect composite of the three main ethnic groups in the power coalition, having Amhara, Oromo and Tigrayan roots. He was also a composite of the three main religious groups in the country,

Orthodox Christian, Moslem and Evangelical Christian on his mother's and his father's side as well as his own preferred beliefs by conversion. He is fluent on all these languages of the three ethnic groups. In a country that is fairly superstitious, he came with a maternal prophesy, which claimed that he was born to lead the country from the early age of seven. The fact that all these facts are unbelievably true doesn't detract from the possibility that he is a good leader that happened to be in the right place at the right time with picture perfect attributes, and they could be mere coincidences. But these coincidences do not stop there.

It is to be recalled that DR Abiy has a very unusual background growing up within the TPLF run army intelligence, and including serving a two year stint in the senior management structure of the US, NSA. This is an unusual privilege that is not normally available to any other national or country in the world, and this fact shows that Dr Abiy is trusted enough to be in the bosom of the Guardian of the US world Empire, where the day to day management, hegemony and control of this empire is operationalized. These facts alone are enough to make one cautious about the transparency of the new Ethiopian situation.

Achievements of Dr Abiy so far

Interesting as his background is, it is to be admitted that he hasn't put a foot wrong since coming to power in March 2018. He has been implementing a lot of bold reforms that give hope to this society and polity afflicted by tragedy. Among these reforms, are included the amnesty and release of all political prisoners and journalists and the emptying of the jails, even closing some of the notorious ones like Mekakelegna. He has dismantled the hated State of Emergency, given free rein to parts of the press to be critical of the old regime of the TPLF, 264 banned websites and blogs have been unblocked and internet had been restored to the regions. He invited all the external opposition into the country. He publicly admitted that the state had practised terrorism for 27 years and he had put a stop to it and apologised to the country for that betrayal. He has promised a free and fair election and dismissed and locked up most of the previous grandees from the Tigrayan ethnic hegemonic block. He has made peace with its arch enemy Eritrea, by ending the state of no war or no peace policy of the last 15 years and signing a peace and friendship agreement. He has showed initiative in ending the landlocked status of the country that is hated by all Ethiopians and that was put in place by the TPLF and according to some, secretly by the United States. He has done this by signing logistics and port access and part ownership and development agreements of 9 ports with all the neighbouring countries such as Sudan, Eritrea, Djibouti, Somaliland, Punt land, Kenya, and Somalia. Some Abu Dhabi based strategic studies scholars believe that Ethiopian Mandarins were behind these port activities with the intention of weakening Djibouti's bargaining power on the costs of using its port for 95% of Ethiopian foreign trade.

While this is definitely good news for the landlocked country, questions of an invisible hand that operates this magic wand must be posed, if we are not to lose our critical impulses and a sense of real politics. The importance of these port related developments cannot be underestimated. It made a big start in answering the historical grievance of all Ethiopians against the United States for the perception of having engineered the landlocked status of the country, through its support of Eritrean total monopoly of the Red Sea coast including Assab and the areas south east of it which historically the Ethiopian Afar people had access to. And Ethiopians have also suspected that the US blackmailed the TPLF behind the scenes to abandon Assab and any other littoral and coastal claims

south of it towards Djibouti as part of the process in which the US brought TPLF to power or following the 1998 TPLF- EPLF war conclusion. This high octane powered regional integration seemed to be too good to be true for a young man like Dr Abiy (42) who is a novice as a leader in international diplomacy and regional politics. He has only held ministerial office since 2015.

Around his election time the one time US ambassador to Ethiopia and a key person in the foreign policy forums of the US Empire, Ambassador Yamamoto and his assistants, spent a considerable amount of time around EPRDF meetings and events. Clearly, the US didn't want to leave anything to chance.

Dr Abiy has removed the ban on political parties that were labelled terrorist forces by the old TPLF regime, to groups such as Ginbot Seven, and OLF, ONLF and several others. Even a breakaway group of the most feared political party by the United States, the Ethiopian People's Revolutionary Party (EPRP), has been welcomed. In general, he has tried to foster a sense of national unity by emphasizing Ethiopian citizenship rather than the dreaded and genocidal ethnic identity. He has also been less inclined to ride the ethnic tiger of Oromo nationalism and parochial youth militancy (the Queero movement) that has brought him to power.

The Ethiopians are naturally jubilant with all these positive steps and have hesitatingly started dreaming of hope once again, if only because they were in the depths of such despair from the abyss of small minority Tigrayan ethnic domination planned and engineered by the most powerful leader of the western world, from which they could hardly see any way out.

More remarkably, Dr Abiy, a person of Islamic Origin and professed convert to what many in the country regard as western evangelical Protestantism, has taken the lead to unite the two wings of the indigenous Ethiopian Orthodox church (the internal and exiled wings) . This has reversed the hated policy of the TPLF that has deliberately created the split in order to weaken opposition to its rule and brought enormous joy to the many millions of pious believers, in a land of some 25,000 Orthodox churches and added huge kudos to the leadership of Dr Abiy. This step has endeared him to millions of pious believers and many of the militant clergy who were fighting to unite the church.

In short in place of despair, he has brought hope, in a country where that commodity was seen as in short supply, and the hunger of the people for this dream has been haltingly sated. He is seen as a miracle maker by many and all these steps are to be applauded and welcomed as well as supported.

Other developments after his election

It is interesting that after his election by the EPRDF central committee, to the post of Prime Minister in April, 2018, one of his first foreign visits was to Egypt in June of the same year and President Al Sissi of Egypt made him promise, in public, during a press conference, that the 95% of the blue Nile that flows to Egypt during the flood seasons and that constitutes some 85% of Egypt's water share under a colonial treaty, would be fully safe under him. In front of the Egyptian people, President Sissi made DR Abiy swear in the name of Allah (God) that Egypt's interest would never be harmed. This means that the programme of filling the GERD in five to seven years that the TPLF and Prime Minister Haile Mariam Dessalegne had been promoting for the last 6 years, in order to safeguard Ethiopian national interest, was reversed by the new Prime minister in front of an Egyptian television audience. Suddenly the major difference between the two countries had disappeared and Ethiopia's

position that it needs a fair and just share of this water to generate energy through the GERD became a non-issue. Talk of war that was being openly discussed in Egyptian media and in the parliament was forgotten.

And there is more. As soon as Dr Abiy returned to Addis, the managing director of the Nigerian company, Dangote, that had the contract to supply the cement for the construction of the dam, was killed in his office in broad daylight by unknown gunmen that managed to get away.

Following that murder, the Ethiopian engineer in charge of building the dam for the last 8 years and who was the national public face of the dam, was shot in broad daylight in the middle of Maskal square, the most public space in Addis. The Ethiopian website Nazret.com reported that one of the side windows to the car was broken, enabling an entry to the car, and that an unknown person was seen getting out of the car. The investigation of his death by the police however, concluded that the Engineer committed suicide. His family continued to protest that this version of the events wasn't true and that they needed a new investigation to provide further new evidence to the contrary.

The Ethiopian press immediately started reporting that instead of the dam being finished in another two years or so, as has been constantly claimed, it was going to take over ten years due to newly discovered problems of shoddy work, poor quality material supplied by the TPLF related contractors, and masses of corruption and fraud as well as embezzlement. Gone was the reporting of the previous years where every single week the percentage of work completed was being broadcast faithfully by the media, where reports of over 45-60% of the work had been completed by March 2018 was well known. Instead of the good news, everyday became the bad news, and it was made public that Cellini, the Italian contractor for infrastructure had put in claims of some \$119 million dollars due to delays caused by the Ethiopian side under METEC.

It is still possible that all these are mere coincidences and not part of some invisible plot orchestrated by powerful forces but radical historians have a duty to look at the footprints of great events and analyse the underlying patterns that are not discernible to the naked eye, rather than repeat the narrative parroted out by powerful media forces.

The dam had cost some 4.2 billion dollars to fund, and as if on cue, Abu Dhabi offered DR Abiy some three billion dollars in loans and grants and Saudi Arabia chipped in almost a billion dollar worth of oil credits for 12 months. Neither of these countries was known for unconditional philanthropy towards black African countries in the past. The loss suffered by Ethiopia in building the dam so far using own resources seemed to have been recouped through these generous donations and support, thereby neutralising the cost of building a dam that for all intents and purposes seems to have been abandoned or put on the slow burner for years to come.

Saudi Arabia was the country that had mysteriously and conveniently arrested the one person (Mr Alamoudhy) that was expected to come to the defence of the TPLF both locally and internationally, coinciding with the period when the contest for power in Ethiopia flared up. Unlike the other people that were arrested with him at the time and who were soon released, Mr Alamoudhy was kept incommunicado from even his family and has still not been released yet a year after he was first arrested.

To help ensure that all news about the GERD is now controlled by the new administration, the previous deputy of the Ethiopian INIS (Mr Abraham Belay), established by the US NSA, under Dr Abiy was now put in charge of the Board that was ultimately responsible for the construction and ownership of the dam. That seemed to be the last piece of the puzzle that is now in place. What used to be a national obsession, with which every Ethiopian media opened the evening reporting, was suddenly absent from the airwaves except for the drip, drip emergence of negative news about it.

His external achievements and the question of an invisible hand

To relieve the crisis of foreign exchange reserves, that the country under TPLF has had to endure (often only enough to cover three months of imports), he has interestingly been receiving billions of pounds from countries that are not known for their record of philanthropic policies towards Ethiopia. An example of this is the three Billion dollars from Abu Dhabi in grants and investment credits. Dr Abiy and the country has also been the only LDC, other than Pakistan, to have requested almost a billion dollar credit for the supply of oil from Saudi Arabia for one year, which may have stabilised the oil crisis that was unfolding in Ethiopia. Other countries that have stepped in include Qatar, Dubai and Turkey.

More interestingly, within a few months of coming to power, Dr Abiy has received budgetary support of one billion dollars from the World Bank, an institution that is not known to provide funds without detailed fiscal and monetary plans demonstrating how such funds are to be paid back. And not to be outdone by the World Bank, the International monetary fund, The IMF, has also stepped in with another Billion of project funding, without having to present any detailed project feasibility studies demonstrating how these project funds are to generate income and especially foreign exchange that would repay the borrowing. An announcement was made that these funds were released due to market orientated reforms, which only means one thing: the country is heading towards a more investor friendly version of neo liberalism, considering that the policies of the last 27 years can only be characterised as neo liberal in the main. The speed at which these funds were made available is remarkable for international institutions known for their conditionality and for their destabilisation. There have also been more funds flowing from Scandinavian countries, the European Union, The Overseas Development Assistance of the UK, and the US government, together running into billions. And all of this is happening in the space of less than one year.

Is it the end of a free and Independent banking system in Ethiopia?

For 113 years the Ethiopians, unique among the world had maintained a national banking system that was free from any outside control and influence. The two other countries to have such a system were the Vietnamese and the Chinese but these were post Second World War initiatives. The Ethiopian effort dates from 1906. In this way Ethiopia was one of the few countries insulated from the global financial crisis that hit world banks in 2008. The Central Bank of Ethiopia has acted as the banker of last resort for all Ethiopian public and private banks during all this period. However, this may be about to change. Ethiopia has been named as the first beneficiary of bank guarantee and lender of last resort status for all its private banks to cover their international lending activities for

Ethiopian businesses. The International Financial Corporation (IFC), a US government bank, which has been bolstered by an injection of a 60 billion US dollars facility for Africa has made this Ethiopian project its first priority. The initiative was portrayed in the media as a response to a similar Chinese initiative for Africa so that the US is now competing on non-military and security grounds (commercial etc.) for the first time. While this is great news for the country, we must ask what sacrifices we are being asked to make to receive this unique guarantee that no country had ever received before. We must also raise the question of whether this is the end of the Chinese wall that has existed between foreign and Ethiopian banks for 113 years. The global banking system could be heading for another crisis yet, fairly soon and if so under this new nexus, contagion of this crisis to the fragile Ethiopian economy may not be avoided. For example one of the key western Banks, the German Deutsche Bank suffers from an unsustainable level of exposure to the derivatives market which cannot be covered by any form of assets or guarantees and it is a matter of time until the financial markets start panicking on this issue and cause a chain reaction. The derivative exposure is even much larger than the total GDP of the German economy, one of the top three economies in the planet. The arrangement between Ethiopian private bank lenders and the IFC seems like an advance preparation for the expansion of massive foreign investment as well as the integration of the Ethiopian banking system to the global one. To be fair it is also possible that Ethiopian private banks may have been suffering to get their foreign activities on behalf of Ethiopian businesses accepted abroad by foreign regulators due to lack of confidence on the Central Bank of Ethiopia. If that is the case, this may be a positive development but one whose costs to Ethiopian national independence is not yet transparent.

Taking stock of the Revolution from above led by DR Abiy

There is not much to criticise of the reforms that has been unleashed by DR Abiy and his supporters within the EPRDF. The path to his rise to power included an insurrection from below among the Oromo and Amhara youth in a slowly developing colour revolution over three years but all his reforms has been from above and his only attempt at including the broad masses of people to be part of this change has been a few rallies in urban centres where the public has been called to show support for the leader. For the changes to be enduring, the people have to embrace it as part of their own struggles and achievements.

He seemed to have done enough to marginalise the old guard of the TPLF and EPRDF and to stabilise his power base so that he can get on with the business of preparing for the coming 2020 elections which will give him the popular mandate that he needs for the future direction of the country. Care needs to be taken not to alienate the People of Tigray and the youth and intellectuals of Tigray through over reaction to the past excesses of the TPLF. Some of the overreaction is tragic but unavoidable in a period of change where the problem had been allowed to fester for too long without any form of recourse to fairness and justice but it is such incidences that normally lead to the people of Tigray and the youth closing ranks around a once despised TPLF leadership and organisation and giving it space to reorganise itself. There is no future for Ethiopia without the people of Tigray and its youth just as the reverse is true for Tigray without the people of the rest of Ethiopia. Just as some of the youth were part of the problem, they should be allowed all the necessary space to be a part of the solution. And this applies to the Oromo people and youth in an

even bigger way, as the Oromo nation, just in demographic and geopolitical terms, carry the future of the Ethiopian people on their shoulders.

What could happen next?

The current plan is for an election to take place sometime in 2020. In previous years the TPLF, which used to control and dominate the entire EPRDF four party coalitions chose all the candidates for the national parliament and also did its level best to stop other parties outside the coalition from standing by making it impossible for their candidates to be nominated at the local level. Every person that put their name to a list for the nomination of a local opposition candidate would get a visit from local party (TPLF/EPRDF), local government and security officials and threatened with the security of their economic livelihood until they withdrew their name from the nomination list). It also meant that both the parliament and the government were controlled by the party leader and accountability doesn't really exist. This model is unlikely to deliver the changes that the entire country needs to undertake, free from any form of abuse.

An Ethiopian wide national Single Market or a fragmented one under Ethnic Federalism

At the root of the problem is the ethnic federation that is embedded in the jimmy carter constitution. A federal structure in Ethiopia is unavoidable but for the federation to be based on ethnicity weakens the federation and divides the people and the country. Federations are successful when they are based on regions that have historical and geographical and economic and cultural roots but not necessarily on individual or collective identity such as language, religious or ethnic origins as these tend to be exclusive and narrow and will always exclude the other. All these internal borders as well as ethnic cleansing which is widespread, stops the development of a unified home markets that allows a free movement of labour, goods or capital and the development of a unified capital market and tends to look backwards rather than forwards. Just having an election under the current set up will generate the same problems as 2005 rather than solve them. The question of the future direction of the country cannot be decided before this thorny and divisive issue of the type of federation is resolved. If this issue is out of the way, it becomes more practical and useful to discuss the future direction of the country.

It may be better to let the term of the current federal parliament to expire and dissolve parliament and the caretaker government under DR Abiy consult the country and the nation through some form of constitutional mechanism such as a referendum or a constitutional convention to which everyone is invited, on the future of such an ethnic federation and whether a regional federation is more appropriate before going ahead and running the election. The world is full of examples of successful regional federations from the US to Germany to the UK and china and Russia but there isn't one single example of a successful ethnic federation that predates the task of delivering on the economic development of countries and societies. The ethnic nationalist forces tend to see this as some kind of power grab, but if Dr Abiy was to emerge as the head of a regional based federation entity rather than an ethnic one, He will have few successful challengers to his power which seems safe until and if his economic policies have discredited themselves in the eyes of the people. At a time when the

entire HOA economy including Eritrea, Ethiopia, South Sudan, Kenya and Somalia as well as eventually Sudan should be moving towards a new single market for the Horn, that will guarantee future economic prosperity and stability, fiddling with ethnic federalism is the most backward step that the region could take.

In part two of this article, I will look at the options for the future direction of the country and the pitfalls and promises contained in various options. This will include looking in some detail the road of liberal democracy as well as its opposite, neo liberalism. Western liberal democracy grew out of the concrete conditions prevailing in Western Europe in the 18th and 19th century, under conditions of capitalist development that existed in these countries. In Ethiopia these conditions are not identical to those in western countries but the democratic and liberal imperative is both desirable and unavoidable but it requires examining in some detail to see how it could apply to a country like Ethiopia. In this context we will examine the concept of the national democratic revolution, which is often put forward to enable the applicability and customisation of liberal democracy to less developed and emerging countries. This will also be the section in which I will expand on the question of whether Ethiopia is the new Ukraine having only touched the subject by showing the extent of US involvement in the process of bringing Dr Abiy to power and the direction that the US wants to see in exchange for its investment in the process of change.

Notes

1. World population review.com: 2019 population of 110.14 and 210 million by 2060
2. Professor Ayele Gelaw, Ethiopia's minimum wage is a curse not a blessing, Addis Standard magazine April 25 2018, also Chinese national minimum wage is us \$442 a month and Ethiopia's is 5% of this according to a recent report by a UK economist
3. This estimate is based on the current \$150 US monthly wage differential between china and Ethiopia calculated over 40 years based on median figures and assuming a median employment level of 80 million at year 20 and workers lasting an average of 40 years in employment . It is not unrealistic to assume that of the expected 200 million people in the country by 2050 some 160 million will be in employment and the wage differential will continue as a moving average.
4. Chapter 1, a radical history of the world by Neil Faulkner, left book club 2018- check pages
5. The Sabbean civilisation of the Tigrayan and Wollo highlands was one of the first such settlements that predate other civilisation. They passed on important skills and cultures like art, animal husbandry, sculptures and construction of Stele, Pyramids and the like to the ancient Egyptians as well as farther afield to India. Nevertheless their history and their achievements did not survive the modern age and the country fell into backwardness for several thousand years under the yoke of a feudal system until recently.
6. Empire and Revolution in Ethiopia, Worku Lakew, Addis Abeba 2018
7. Westbury 2002, Dr Kefyalew 2014 on the question of the damming of the Nile