

Ethiopia: Ongoing Changes Under New Prime Minister

Jean-Marie Guéhenno

Ethiopia has undergone seismic political changes in 2018. Following months of protests and an ongoing state of emergency, Ethiopia's Prime Minister Hailemariam Desalegn resigned earlier this year. His successor, Dr Abiy Ahmed was elected by the ruling coalition of the Ethiopian People's Revolutionary Democratic Front and has since overseen a fast and furious reform agenda.

Prime Minister Ahmed, from the Oromia region which had seen instability and protest during Desalegn's rule, was previously Governor of Oromia and prior to that served as Minister of Science and Technology in Desalegn's Government. Aged just 42, he is Africa's youngest leader. His election and his active attempts to heal ethnic divides has done much to quell the frustration around Tigray dominance over the ruling party.

Since coming to power, Ahmed has introduced a host of domestic reforms. Economic reforms include partial and full privatisation of minor and major public enterprises, as well as a stabilisation of the foreign exchange rate. His newly announced cabinet is much smaller than before, with the previous cabinet comprising of 28 members, to the current 20 cabinet members of which 50 percent are female.

Despite these changes, the country is still facing a substantial trade deficit, with restrictions currently in place on access to US dollars by the private sector, creating an issue for those looking to repatriate currency offshore and also acting as a deterrent to market entrants.

Prime Minister Ahmed has a great image abroad, but he is generating increasing concerns in Ethiopia, from those groups who stand to lose from the reforms he has initiated, and from Ethiopian elites who are puzzled by his style and are uncertain if he has a real strategy.

Now in power, his most direct threat is likely to come from the security forces, traditionally dominated by the Tigrayans. A recent protest of soldiers demanding salary increases ended when the Prime Minister did push-ups with the soldiers, defusing a tense situation. It remains a question whether the malaise in the army has deeper roots. Meanwhile, unrest in the Ogaden and Oromia regions points to growing ethnic tensions. In August 2018, Oromo militias carried out a wave of attacks, including one on a village that resulted in the deaths of 18 women and children who were locked inside a building and set alight.

In addition to significant domestic reform, the Prime Minister has made bold foreign policy moves. The most visible international accomplishment is the radical positive change of relations with Eritrea, which could bring great benefits to both countries, and were long overdue. The countries had been locked into a bitter stalemate marked by occasional border violence and mass displacement of Eritreans - adding to the worsening European migrant crisis - with no means of communication between the two countries and direct flights cut off. The opening up of relations will see significant changes for both countries, including trade and migration, and will give Ethiopia access to the sea via Eritrea's port - a move that has no doubt upset Djibouti, which has long capitalised as landlocked-Ethiopia's access to the sea.

Although the rapprochement between the two countries has been hailed as a success, there may be regional and strategic consequences. The opening of relations and the decision by Eritrean President Isaias Afewerki to break his long-standing isolation comes with a price; a military base on the Red Sea and increased influence of Saudi Arabia, which has forced itself as the match-maker between the two countries. Ahmed, unwisely for some Ethiopians, may get too close to the Saudis, in a country where the religious makeup of the country is quite a

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sensitive matter. According to Central Intelligence Agency Factbook in October 2018, Christians currently account for 62.7 percent – 43.5 percent of which are Ethiopian Orthodox – while Muslims make up 33.9 percent of the population.

Meanwhile, President Afewerki's hold on power is brittle. Now that the border is opened and Ethiopia maintains an open-door policy, the flow of Eritreans fleeing their home country has increased, putting additional strain on Ethiopia. In Eritrea, the question of how the President will eventually cede power is raised and the risk of violence is real. A managed transition would by far be the best outcome, but it is far from assured.

The Horn of Africa has thus entered a period of great volatility, in which the gap between best case and worse case scenarios is enormous. The new Ethiopian leadership and the thaw between Ethiopia and Eritrea open new possibilities, but the combination of precarious national identities and geopolitical rivalries external to the region can easily derail fragile progress.



Jean-Marie Guéhenno is a former French diplomat. Among his various positions, he served as President and CEO of the International Crisis Group (2014-2017), Chairman of the Henri Dunant Centre for Humanitarian Dialogue (2010-2012), and United Nations Under-Secretary-General for Peacekeeping Operations (2000-2008). Before joining the United Nations, Jean-Marie served as Director of Policy Planning in the French Ministry of Foreign Affairs (1989-1993).