Quo Vadis Ethiopia?
Scenarios
Study Report

The Bumpy Road
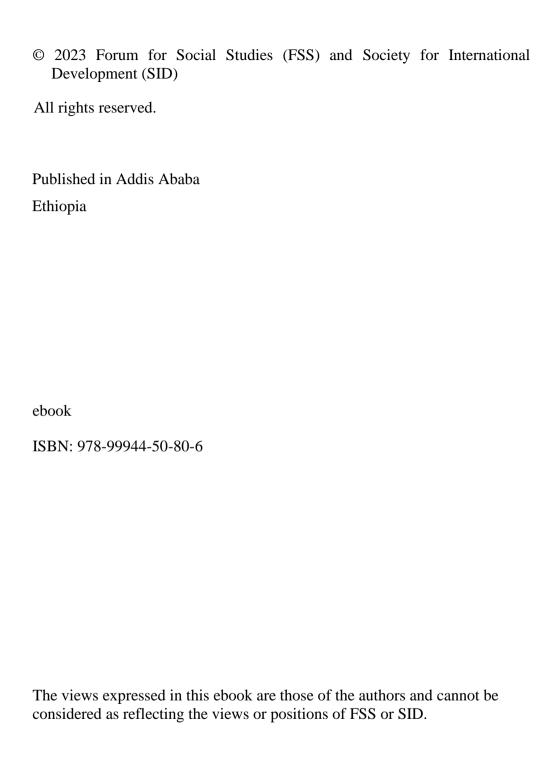
Spring

The Dark Days of Winter

Bahru Zewde
Asnake Kefale
Birhanu Denu
Kassaun Berhanu

With Arthur Muliro

Forum for Social Studies
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SID
Society for International Development

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Ethiopia

Forum for Social Studies	**Society for International Development**
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Acronyms

AAPO	All Amhara People's Organization
AGOA	African Growth Opportunity Act
ANDM	Amhara National Democratic Movement
AU	African Union
CRGE	Climate-Resilient Green Economy
DDR	Disarmament, Demobilization and Reintegration
ECCAP	Ethiopian Climate Change Adaptation Program
EIFDDA	Ethiopian Inter-Faith Forum for Development, Dialogue and Action
EO	Ethiopian Orthodox Church
EPRDF	Ethiopian Peoples' Revolutionary Democratic Front
FSS	Forum for Social Studies
GERD	Great Ethiopian Renaissance Dam
HGER	Home Grown Economic Reform
IIRO	International Islamic Relief Organisation
INDC	Intended Nationally Determined Contribution
NaMA	National Movement of Amhara
OLA	Oromo Liberation Army
OPDO	Oromo People's Democratic Organization
PP	Prosperity Party
SEPDM	Southern Ethiopia People's Democratic Movement
SID	Society for International Development
SNNPR	Southern Nations, Nationalities and Peoples' Region
SOEs	State-Owned Enterprises
TPLF	Tigray People's Liberation Front

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Preface

Events over the past few weeks and months no doubt underline the futility of trying to predict the future. So much has happened in both the political and religious spheres since these scenarios were last drawn. Alignments have shifted and ruptures created. The events dominating the headlines in many respects showcase the volatility that can be expected when engaging with Ethiopian politics and society. There is perhaps no shortage of pundits betting on various outcomes depending on their interests and alignments. However, they remain hostages to the randomness with which fortunes rise and fall.

When the Ethiopia scenarios team was convened at the end of 2019, just before the war in northern Ethiopia and the global COVID-19 pandemic, there was, at the time, a reasonable basis for optimism about the country's future. It seemed that the gremlins and the knots of the past were slowly becoming undone and being replaced by new ideas and aspirations for a future that would be prosperous for most if not all. We expected that the scenarios we would put together would help consolidate the impetus for change and broaden the horizon. None of us imagined the upset that these two signal events would occasion to the nation. On the one hand, we were reminded of the enduring power of old narratives and grievances and, on the other, the vulnerability that comes with being part of an interconnected global reality. These two events cast a long shadow on not only the teams' operations and deliberations but also

on the nation, leaving behind impacts that may take decades to unfold or be fully realized.

Some of the more skeptical among us might query the work the scenarios team has undertaken and challenge its value, particularly given its inability to 'foresee' these impactful events. In our defense, we could argue that the group had just been convened and, before it could find its feet, was required to react and respond to two significant modifiers tossed into the playing field. We have tried, albeit not exhaustively, to understand how these events have modified the central question we chose to grapple with: how ongoing political transformations might unfold and what impact this will have on the well-being of Ethiopians.

The beauty of foresight work is that it enables us to create a scaffolding or context through which we can begin to understand the forces shaping the present and act on them to create the future we would like. Foresight work helps us see the patterns and reveal the structures creating the present. This, in turn, allows us to rethink how to shape the structures accordingly. Beyond this, foresight can be instrumental in modifying entrenched views and positions by challenging existing assumptions and encouraging a more open-minded approach to change.

Even though the headlines in the recent past have been different, they have been, in many respects, manifestations of the same structural challenges that have plagued the nation for several decades. Therefore, the scenarios team has offered a set of stories that it hopes will stimulate reflection and conversations among Ethiopians of goodwill and help them enlarge the common ground necessary to strengthen the consensus that the needed structural reforms will call for. The scenarios presented here, it should be stressed, are not predictions.

Neither are they prescriptions. However, they try to bring new insights to the table and encourage us to challenge our assumptions about the future.

Focusing on those structural conditions that create the headlines we see daily, rather than the headlines themselves, is vital because it offers us a deeper grasp of those underlying forces shaping the future. The headlines, like the events they describe, are fleeting and often lack context, while structural conditions encompass broader trends, drivers, and systemic factors. This contextual understanding anticipates multiple outcomes, identifies early warning signs, guides strategic decision-making, and builds resilience. Foresight work empowers better-prepared responses, strategic planning, and proactive solutions by comprehending the environment in which events unfold. It addresses root causes, providing a comprehensive framework to navigate uncertainties and create informed strategies for a more resilient and adaptable future. This is what we hope these Ethiopian scenarios will trigger.

Hopefully, as the reader traverses the world described in each of the stories and examines the different potential outcomes they depict, they will be forced to confront the limitations of their current perspectives and be enticed to seek out more robust strategies and plans that are adaptable to changing circumstances, irrespective of their opinions.

We hope those who read our work will take the cues presented and use them in their own spaces to amplify conversations and broaden perspectives on what future Ethiopians would like to see for themselves and their children. As you engage with others, you can expect to encounter resistance to the ideas contained in the stories and the notion of foresight itself. This fear and resistance can stem from various factors. One primary reason is discomfort with uncertainty and change, as foresight highlights potential disruptions and

challenges to familiar norms. Another factor is resistance to questioning entrenched beliefs, as foresight challenges existing paradigms. The lack of immediate tangible results and the perception that it is time-consuming will discourage some.

Additionally, organizational inertia and an obsession with short-term gains can lead to a neglect of foresight. Excuses often include believing that the future is unpredictable, the present is demanding, or that foresight is speculative. However, these barriers can be overcome by recognizing that foresight enhances adaptability, minimizes risks, and enables proactive strategies for a more resilient future in a rapidly changing world.

We hope that you, the reader, will use this work as a platform to help shift the population's thinking about the trajectory the country is currently on. Getting to the desired trajectory is a journey. These scenarios provide a sufficiently robust scaffold that can be used to promote the collaborative exploration of desired futures while reinforcing the culture of dialogue, open-mindedness, and the flexibility to consider alternative perspectives.

The Study Team

September 2023

Introduction

Over the past half-century, Ethiopia has been at a crossroads more than once. The 1974 Revolution offered a clear break from the past. It instilled hope in many just as it traumatised others. There is no doubt that then, Ethiopia was ripe for change. But what kind of change? The answer came within the following two years. It was not the liberal democratic transition that objective circumstances called for but the socialist transformation that doctrine dictated. The Spring of 1974 was followed by the heavy winter of 1976-78. A totalitarian dictatorship clouded the aspirations for a democratic order, and the consensus of 1974 gave way to a bloody civil war. Hope gave way to Terror.

That dark period seemed to have ended with the institution of a new order in 1991, and a period that promised equality for the country's nationalities appeared to have dawned. It culminated in the country's first liberal constitution in 1995. Yet, that constitution, much as it formally guaranteed civil liberties, skewed the balance between ethno-nationalist and pan-Ethiopian identity in favour of the former. This opened a contentious chapter in the country's history that remains unresolved. Moreover, the "self-determination" promised to the nationalities was gradually compromised by the institution of central control by other means. This inevitably led to the widespread protests of 2015-17, culminating in the change of government in 2018.

Yet again, Ethiopia seemed to enter an era that promised a happy blend of multiple identities. Ethiopians at home and abroad warmly embraced the new

beginnings. Political prisoners were released, banned organizations were unbanned, and exiled political leaders flocked home. However, the euphoria concealed an underlying tension between the old and the new order. That tension erupted in November 2020 into a full-scale civil war that has taken the lives of hundreds of thousands of Ethiopians.

This scenarios project was conceived at the dawn of the most recent period of hope and executed during the troubled times that followed. It is the outcome of a partnership between the Forum for Social Studies (FSS) and the Society for International Development (SID) that began in 2021. The background study that formed the basis for the scenarios presented here was carried out by a multi-disciplinary team comprising a historian (Professor Bahru Zewde), a political scientist (Professor Kassahun Berhanu and, after his untimely death in the middle of the project, Dr Asnake Kefale) and an economist (Dr Berhanu Denu). The sociologist's perspective was provided by Dr Yeraswork Admassie, who, besides overseeing the administration of the project as Executive Director of FSS, actively participated in the team's deliberations. Periodic consultations were held with the SID team, represented by Mr Arthur Muliro, Deputy Director, and Dr Barbara Heinzen, Consultant. The Ethiopian team also gained valuable insights from earlier scenario-building exercises that SID had conducted in Kenya, Tanzania, and Uganda.

Scenario building is a challenging undertaking, even under the best of circumstances. The Ethiopian case has had more than its fair share of challenges. The isolation imposed by the global COVID-19 pandemic was one of them, even if it was partially overcome through online interactions. The twists and turns of Ethiopian politics were even more challenging, particularly the unpredictability of the endgame of the war in northern Ethiopia. This

became particularly evident as the team shifted from the background study to drafting the scenarios.

The findings of the background study, which was divided for convenience under the three significant rubrics of historical-cultural, political, and economic, were presented at a workshop held on 10 May 2022. Participants in this workshop came from a broad cross-section of Ethiopian society – academics, public figures, and representatives of political parties, civil society, the private sector, and youth. After plenary presentations of the study, the participants were divided into three corresponding breakout sessions to deliberate more intensively on each study and probe possible future projections. The reports of those deliberations formed the basis for the draft scenarios. A synopsis of the revised background study precedes the three scenarios presented below. Hopefully, the data presented in this section will give the scenario stories a more robust underpinning than would have been the case otherwise.

Even now, much as the November 2022 peace deal between the federal government and the TPLF is to be welcomed, the story has yet to run its course entirely. As indicated above, the drafting of the scenarios took place in the most difficult of circumstances, as events in Ethiopia, particularly those relating to the war in the North, took unpredictable twists and turns, necessitating constant revisions of the drafts to reflect the changing situation. The uncertainty of the situation dictated that we work with a modest time frame of ten years for the projected scenarios. Anything shorter would be meaningless; anything longer would be unrealistic.

What are Scenarios?

Scenarios are imaginative stories of the future that describe alternative ways the present might evolve over a given period. Scenario building and scenario thinking have been gaining credence in helping societies appreciate the opportunities and challenges of their uncertain times. The best scenarios are based on strong research and acute intuitive insight from diverse people. They describe what must be faced in the future – things that are 'pre-determined' or 'inescapable' – but also identify what is most important and uncertain, describing how these uncertainties might evolve.

Each scenario story presented is expected to be internally consistent, plausible, and credible. The entire set of stories must be challenging and relevant to the people using them. While scenarios were once written by esteemed gurus and experts and utilised only in organisations, today, they are increasingly created through collaborative learning processes and used to stimulate debate on important public issues.

Why Scenarios? And Why Now in Ethiopia?

Like the rest of the world, Ethiopia is going through very changeable and uncertain times. Leadership at all levels is groping for new and durable answers to problems that have challenged its polity for decades. This need for new understanding and direction also comes when governments and politicians in Africa are mistrusted, a product of years of dictatorship, conflict, and failed policies that have left communities fragile and struggling to meet their development targets.

These two factors are mutually reinforcing. Many people believe their governments are out of reach and indifferent to popular opinion, just another group serving its interests, yet many still look to the same leaders to provide comfort and certainty. This is particularly

Respondents were asked: How much do you trust each of the following, or haven't you heard enough about them to say?

Figure 1: Trust in Institutions and Leaders, AFROBAROMETER 2020 Survey

difficult – if not impossible – in unpredictable times. Instead, with each new failure, mistrust of the government grows and increases each time government avoids admitting it has no good answers for fear of losing people's support. As the implicit contracts between the government and people wear thin, it becomes harder to address difficult issues, increasing uncertainty. As the 2023 Edelman Trust Barometer noted, polarisation in society is likely to increase when there persists a distrust of government, a weak social fabric, and lingering perceptions of unfairness – all elements present within Ethiopia.

This is the backdrop in which the scenario exercise in Ethiopia took place, a situation compounded by the conflict in Tigray and the COVID-19 pandemic, both events signalling the extent to which prior assumptions and associated predictions were rendered moot. While the conflict seems to have receded and the pandemic under control, both have left deep scars on the social fabric. The

country has entered a new season of rethinking its ties and organization. Whether this process results in qualitative changes to the social fabric remains to be seen and will depend largely on the goodwill of all Ethiopians to support the process.

In this respect, the national capacity for political agreement is more important than ever. In classic industrial development models, micro-economic activity needs sound macro-economic policies and a willingness to develop a good transport and communications infrastructure. 'Soft infrastructure' – such as financial institutions, dispute resolution procedures, and property rights – is also needed, as is a literate, numerate, and healthy population. To establish any of these (macro-economic policies, hard/soft infrastructure, or investment in people) requires the capacity to agree on where the roads will run, where the schools will be built, and how the rules of the game will be designed and maintained. That is why the ability to agree – hopefully through democratic processes rather than through the force of authoritarian rule – is the first critical foundation of the development process. This is even more important now when new technologies, environmental thresholds, terrorist reactions, and emerging scarcities are all so alarming and unpredictable.

For much of the past five decades, the capacity for political agreement has been missing in most African countries, Ethiopia included. Our history of strong-man rule, dominant one-party states, and highly centralized governments has weakened the natural capacity of society to negotiate priorities and shared resources. There is perhaps a strong correlation between this and the proliferation of conflict and retarded development.

How can this deficit in the capacity for political agreement be narrowed? Scenario processes, which increase the skills and opportunities of dialogue, are

one response. Previous scenario processes elsewhere on the continent have sown the seeds for broader personal and collective engagement by citizens of the region in shaping their future. By enabling people to talk about what is important to them – by challenging conventional wisdom and providing opportunities for reflection and sharing ideas about what their countries could become – the scenarios have made an important contribution in uncovering and enlarging spaces for potential action. In an Ethiopia that faces a challenging and potentially exciting future, the scenarios are perhaps a first step on what will certainly be an adventurous journey of exploration and discovery.

In this study, three possible scenarios are proposed. To give them a local flavour, the first and third have been given names borrowed from the Ethiopian seasons: YeHamle Chelema (the "Dark Days of Winter," Hamle marking the heaviest month of the Ethiopian rainy season, which lasts from June to September) and Tsedey ("Spring," which announces itself with the bright yellow daisy flower). The second is dubbed Mangaragach, suggestive of a bumpy course, moving neither forward nor backward.

The scenarios presented here grapple with three broad challenges the country faces: will the mélange of centrifugal forces at play succeed in ripping the country apart, or will it overcome them and remain united? Can economic reforms deliver sufficient growth to cater to the demands of a growing population? Which are the values (and the institutions) that Ethiopians can lean on to guide them through these challenging times?

The central question our scenarios seek to respond to is: how might the political transitions underway in Ethiopia turn out? And with what outcomes?

In the formulation of the scenarios, the following drivers of change have been identified:

- Identities
- Political violence
- Democratization vs. authoritarianism
- Poverty
- Climate change
- Inflation

The draft scenarios were presented at a three-day workshop on 2-4 December 2022 at the Kuriftu Resort (Bishoftu). Participants largely came from the cross-section of Ethiopian society represented at the 10 May workshop mentioned above. The intensive discussions held at the workshop helped refine the scenarios considerably. They are now presented in the hope that they will provide valuable inputs to decision-makers and all those who have a stake in the country's future.

Background and the Current Situation

Historical and Cultural

The Ethiopian state has shown remarkable resilience over millennia. It has weathered multiple stresses and strains to re-emerge in a modified form but with its essential features still recognizable. Many instances of such stresses can be cited: the devastating campaigns of Queen Yodit/Gudit at the end of the first millennium, the Wars of Ahmad Gragn and the Oromo population movement in the sixteenth century and the so-called *Zamana Masafent* (1886--1853). The question that arises as we attempt to project the future is whether that resilience will endure or buckle under the numerous challenges the country currently faces.

In more recent times, rising ethnic nationalism, conflicts and the weakening of the political centre brought anxiety about the continuation of Ethiopian unity. On the one hand, ethno-nationalist forces with secessionist tendencies make direct and indirect threats by saying that if their concerns are not met, they shall work for the country's dissolution. On the other hand, the ruling party presents serious opposition to its rule as a threat to national unity. Hence, it is important to foresee alternative scenarios on the future of national unity. We could project three scenarios: political fragmentation, weakened national unity with competing *de facto* authorities and strengthening of national unity.

Closely related to the above is the issue of identity, which has been a serious bone of contention in the past three decades or so. The nation's very survival has come to hinge very much on the resolution of the question of identity. While pan-Ethiopian identity was not in serious doubt in the past, it has come under severe scrutiny more recently. It began with the emergence of ethno-

nationalist movements in the last quarter of the 20th century and culminated in the legal recognition of ethno-nationalist identity in the 1995 constitution.

Ethiopia is home to the two major religions: Christianity and Islam. Both trace their origins to the first millennium, the former to the first half, and the latter to the second. In its Orthodox version, the former has been embedded in the dominant political culture. Islam has been relatively marginalized until 1975, when it got official recognition. While Catholicism and Protestantism have gained adherents since at least the nineteenth century (the former even earlier), they had a subsidiary status vis-à-vis Orthodox Christianity. However, in its Pentecostal version, Protestantism has seen significant expansion in more recent times. Except for a decade of tumultuous civil war in the sixteenth century, Orthodox Christianity and Islam have co-existed peacefully. The relationship between Orthodox Christianity and Pentecostalism has been more adversarial than conflictual. Given this background, what are the possible scenarios that one could anticipate?

True to its name, the Horn has been a sub-region of discord and conflict. Ethiopia and Eritrea engaged in a bloody war at the turn of the century followed by nearly two decades of stalemate. Things began to change for the better only after the change of government in Ethiopia in 2018. Ethio-Somali relations had a troubled history characterised by armed conflict. In more recent times, there has been a noticeable rapprochement. An un-demarcated boundary and, more recently, the Great Ethiopian Renaissance Dam (GERD) have been sources of tension between Ethiopia and the Sudan. Yet, given the interdependence of its peoples, the dam has tremendous potential for integration and development. What does the future hold for this troubled sub-region?

Political

Ethiopian political history is rife with authoritarianism. Even in comparison to other African countries, political liberties were introduced into the country only recently, i.e. after the 1991 change of government. But the introduction of multiparty democracy has not led to the democratisation of state society relations. Authoritarianism is embedded in the political culture of the country. Hierarchical and patriarchal characteristics of Ethiopian social and political organisations, including the family, as well as the absence of institutions that could restrain the excesses of government, continue in one way or another to contribute to the perpetuation of authoritarianism. Moreover, poverty, youth unemployment and illiteracy reinforce authoritarian politics.

This does not mean that there was no resistance. Struggles for political change brought substantial modifications to the body politic of Ethiopia – including the ending of the monarchy in 1974 and of military rule in 1991. But lack of a culture of compromise by the political forces and the failure to meaningfully address demands for structural changes continue to frustrate efforts of democratisation. The enormous challenges that the post-2018 political reforms is facing in bringing substantial changes in the politics of the country could be seen from this angle.

The conflict landscape in the country is complex. The civil war in Tigray, which started in November 2020 and later on expanded to Amhara and Afar regions, caused the death and displacement of millions of people. After a sustained mediation effort by the African Union (AU) and other international actors, the TPLF and the federal government signed a peace agreement in Pretoria at the beginning of November 2022. The peace agreement, among other things, includes the disarmament, demobilization and reintegration

(DDR) of TPLF's armed forces and permanent cessation of hostilities. While the peace agreement brought hopes for the peaceful end of the conflict in the north, the implementation of the accord is not expected to be smooth.

In addition to the conflict in the north, there is also an ongoing insurgency in Western and Central Oromia by the Oromo Liberation Army (OLA), dubbed Shene by the government and branded as terrorist. There are reports of mass atrocities targeting the Amhara (as well as Oromo not sympathetic to their cause) in western Oromia, particularly in eastern and western Wellega zones. As there are counter-allegations regarding these atrocities, only independent investigation can determine the actual state of affairs. In recent months, the conflict in parts of Oromia turned into inter-communal violence involving Oromo and Amhara armed men.

There are also tensions and conflicts in other parts of the country over a range of issues, including the formation of new regions (in the Southern Region) and contestation over territory and resources. In July-August 2022, there was an attempt, albeit short-lived, by the al-Shabaab terrorist group to infiltrate into eastern Ethiopia. It is possible that, in the scenario period, there is a high probability that the conflicts will continue.

Ethnic federalism is one of the most controversial issues in Ethiopian politics. Some blame it for the country's woes, particularly the rampant ethnic tensions and conflicts. Others, however, contend that federalism, which provides autonomy to the country's ethnic groups, has positive elements and argue it is the only viable solution to the demand for self-rule compared to earlier political arrangements. The critics of federalism want the ethnic element of the federal system to be either removed or reformed, while those who support ethnic federalism contend that ethnic federalism is non-negotiable.

Another area of serious concern is corruption, which has reached unprecedented and almost uncontrollable proportions. Its intractability is attributed to the collusion of officials with merchants and brokers. The institution set up to control it – the Federal Ethics and Anti-Corruption Commission – has been manifestly incapable of executing its mandate. So much so that the Government has recently set up a special committee of ministers, including the Minister of Justice and the Director General of the National Intelligence and Security Service, to apprehend culprits and bring them to justice.

Economic

Ethiopia is currently one of the poorest countries in the world. In 2021, the per capita GDP income (an annual average income that an individual person earns) was USD 944. The proportion of the population that lives on an income of less than US$1.90/day (according to WB absolute poverty threshold) is 23.5%. Agriculture still dominates the economy, with about 80% of the population engaged in agriculture, which is predominantly subsistence farming. Population is growing at an estimated annual rate of 2.5%. Rural land holding, which is on average about half hectare, is declining and landlessness is growing.

Conflict and natural disaster have resulted in huge destruction of productive human life and economic assets. The major causes of displacements are the war in Northern Ethiopia and conflicts in other areas (85%), drought (7%), and seasonal flooding (3%). A large proportion of the population in different areas are exposed to severe food insecurity. A total of 13 million people in Tigray, Amhara and Afar regions require food aid in 2022, while 7.4 million people in Oromia, Somali and Southern Ethiopian Regions need food aid.

While the current situation, as presented above, is admittedly gloomy, there are many factors that give hope for development and the possibility of prosperity in the next decade. This optimism is born of the fact that, especially after the 1991 regime change, encouraging developments (such as infrastructure and GDP growth) had occurred.

The issue of land in Ethiopia has deep historical roots. The land tenure system varied among the Northern and Southern (broadly speaking) Ethiopian regions. In the north, *rist,* which signifies inalienable usufructuary right by descendants of an ancestor, was the predominant type of land tenure. In the Southern parts, by contrast, a large proportion of the land came to be owned by absentee landlords and the Orthodox Church, with the farmers being reduced to tenancy. There was also communal land tenure in some areas. In 1975, the Socialist Military Government abolished the prevalent land tenure systems by transferring ownership of all rural and urban land to the people, i.e. the state. Consequently, the landlord-tenant relations were entirely abolished and land was distributed to the tenants (i.e. the tillers of the land), even though land remained in the custody of the state. Peasant associations were established to implement the proclamation.

In Ethiopia, privatization of state-owned enterprises (SOEs) started after the regime change in 1991. The process proceeded through stages and under different legal frameworks. Proclamation No 25/1992 and Proclamation No. 146/1998 established the legal framework for the privatization of public enterprises. Many public enterprises were transferred to private owners. But enterprises under defence, energy sectors, aviation, telecommunications, shipping, postal services and railway remained under state ownership. The privatization move under the current government is to transfer, either partly or wholly, these mega corporations to private ownership.

After the change of government in 2018, the Government has proclaimed what it called Home Grown Economic Reform (HGER). One of the most important components of HGER is privatization of government-owned large companies. Originally (during the 1990s), privatization focused on the enhancement of efficiency by transferring inefficient public enterprises to the 'more efficient private sector'. However, the argument that private firms are more efficient as compared to state-owned enterprises (SOEs) is being increasingly challenged on the ground that some private firms are relatively more inefficient than SOEs.

A healthy environment is a critically necessary condition for sustainable development and stable growth. The country has a diverse climate and landscape, ranging from equatorial rainforest with high rainfall and humidity in the south and southwest, the Afro-Alpine zone on the summits of the Simien and Bale Mountains, to desert-like conditions in the north-eastern, eastern and south-eastern lowlands.

Climate change is a global problem and affects different sectors differently. The negative impact of climate change on the economy is currently of growing concern. The ever increasing problem endangers sustainable peace and development. On the other hand, the ongoing effort by the government to implement measures that counter the adverse climatic change can result in positive improvement. However, the lack of awareness at the grass root level and the environmentally unfriendly farming and life style might exacerbate the negative effect of climate change, putting a larger segment of the population at risk of chronic food insecurity.

During the past 20 years, the areas receiving sufficient *belg* rains (also known as the "Little Rains" and traditionally occurring between the months of

February and April) have contracted by 16%. This exposed densely populated areas in the Rift Valley in Southern Nations, Nationalities and Peoples' Region (SNNPR) and Oromia to chronic food insecurity. Further, the areas receiving sufficient *kiremt* rains (main rainy season, between June and September) has also contracted, putting many of the same Rift Valley populations in SNNPR and southern and eastern parts of Oromia under stress. Approximately 20.7 million people live in these affected zones. Poor crop performance in the south-central and eastern midlands and highlands could directly affect the livelihoods of many of these people and at the same time exert pressure on the national cereal price.

Another serious problem is inflation that is spiralling out of control. Government officials often blame this on greedy businessmen and global inflationary pressures instead of recognizing the very essence of the problem and squarely focusing on looking for an effective solution mechanism. Ethiopia's inflation is disturbing the economy with rising unemployment and increasing deterioration of living standards.

There is also the demographic situation to consider. Ethiopia is the second most populous country in Africa and has a population of over 120 million people (according to 2022 statistics), with an annual population growth rate of 2.5%. Its population is projected to reach 143 million by 2030 and 190.8 million by 2050. The fast-growing population can create a huge opportunity for economic growth. However, a huge investment on human capital development is needed to take advantage of the growing demographic dividend.

Scenario I: The Dark Days of Winter (YeHamle Chelema)

The prospect of disintegration

Frightening as the prospect is, the disintegration of the country into separate units is not beyond the realm of possibility. Indeed, an Egyptian journalist has reportedly went as far as producing a futuristic map of Ethiopia to show that the country is on the verge of total disintegration. To corroborate this projection, he categorically stated that Tigray is on the verge of independence

and will never go back to being part of Ethiopia. The Beni Shangul Gumuz Region will merge with the Sudan and the Somali Region with Somalia. He also pointed out several spots of conflict between the Oromia and Amhara Regions that have the potential of embroiling them in endless conflict.

While the projections of the Egyptian journalist might have a great deal of wishful thinking, given his country's acrimonious relations with Ethiopia because of the GERD, it cannot be dismissed outright. While the federal government's conflict with the TPLF is currently showing encouraging signs of peaceful resolution, the latter's ally, the OLA, is expanding its operations in different parts of the country, sometimes quite close to the capital. Neither the Oromia Regional Government nor the Federal Government have been able to check the activities of the OLA, which has been massacring both Oromo and non-Oromo.

The reports of the Fanno operating in Oromia complicate the situation even further. Armed Amhara residents have also started being involved in the fighting in Wellega. A recent report by the Ethiopian Human Rights Commission confirmed the involvement of several armed groups in the fighting in Wellega.

Nor does the ruling party, Prosperity Party (PP), have the necessary coherence to govern the country effectively and with one voice. The party was established with the avowed intention of replacing the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF), which was a coalition of different nationality-based parties: Tigray People's Liberation Front (TPLF), Amhara National Democratic Movement (ANDM), Oromo People's Democratic Organization (OPDO) and Southern Ethiopian People's Democratic Movement (SEPDM)). Another novel element in the new party has been the inclusion of the parties

representing the Afar, Beni-Shangul Gumuz, Gambella, Harari and Somali. They had thitherto been dubbed "allied parties" and thus relegated to secondary status.

In reality, however, PP has been anything but one party. In effect, the EPRDF legacy has endured and the various components of PP have started emphasizing their separate identity: Amhara Prosperity, Oromo Prosperity, etc. Indeed, the tensions cited above between the Amhara and Oromo regions have pitted the respective governing bodies as opponents rather than members of the same party. There is a genuine fear that the future internal war will be between the Oromo and the Amhara. Such war will be incessant and endless.

Not only have the constituent elements of Ethiopia's ethnic federation began to forge a separate identity but they have also established a sizable military force within their respective regions. Dubbed "special force", they were first initiated in the Somali Region but were then rapidly emulated by the other regions. These units have now become a formidable paramilitary force, as witnessed in the recent conflict in northern Ethiopia. In some ways, the prevalent picture is reminiscent of the *Zamana Masafent*, when regional lords had greater power than the *negusa nagast* ("king of kings"), who reigned in Gondar but did not rule. In the event of political disagreements spiralling into armed conflict, the country can be engulfed in a veritable civil war on multiple fronts.

The failure of the federal government and the ruling party to resolve all these tensions has led some observers to conclude that the state has failed abysmally in the most cardinal of its obligations, ensuring its citizens' security. The growing crisis of abducting citizens for hefty ransom payment region not only

reinforces the insecurity problem but also undermines people's trust in the country's security apparatus.

Yes, the Ethiopian state has been resilient in the past. But that is no guarantee that it will continue to be so in the future. Stress has a natural limit; if something is overstretched, it is highly likely to be torn apart. The continuity of the nation can only be guaranteed if its citizens enjoy a modicum of security and if the basic needs of livelihood are met. Instead, we are witnessing rampant poverty compounded by the recurrent senseless killing of citizens and the government's inability to uphold the rule of law. In such circumstances, one cannot confidently predict the continued resilience of the nation.

Thus, state collapse and emergence of war lords is a plausible scenario. Apparently, the ability of the security and intelligence apparatus to respond to conflicts before they expand is very limited. More importantly, as indicated above, there is simply no shared vision among the top political leadership of the Prosperity Party. Neither is there a common ideology that ties the party's different factions together. Moreover, other (non-state) elements – elders, traditional institutions, religious institutions – have limited influence and credibility. Hence, their ability to mitigate state collapse and wider civil war is limited.

The war in the north and the violence in Oromia have brought the country's social fabric under severe stress, breeding mistrust rather than solidarity. On top of the political divisions, there are also religious divisions. For instance, the Orthodox Church in Tigray was trying to break away from the Ethiopian Orthodox Church (EOC), just as there was an attempt earlier to create a separate Oromo Orthodox Church. Likewise, there are divisions within the Islamic religious leaders about who runs the Ethiopian Islamic Council.

Tension is also evident between some protestant preachers and the Ethiopian Orthodox Church over doctrinal issues.

Due to all the above stresses, it is likely that the central state could collapse and warlords of different kinds could emerge. One possible factor that could accelerate such a scenario is the presence of armed factions that defy federal authority or make significant parts of the country ungovernable. An example is the OLA/Shene activities in Western and Central Oromia. Similarly, in the north western parts of the country, there is also active insurgency by Gumuz rebels who continue to threaten the Metekel zone of the Benishangul-Gumuz region. Moreover, due to the expansion of the Northern war into the Amhara region, a large number of youth have been organised into an armed formation called *Fanno*. Relations between *Fanno* and the government have been both cooperative and confrontational. When the TPLF was advancing to the central parts of the country in September-November 2021, both the federal and regional governments openly called the public to self-organise and resist the expansion of the TPLF. But in the following months, there have been confrontations, in some cases with armed clashes, between some *Fanno* groups and the government. The government accuses some factions of the *Fanno* of making the Amhara region ungovernable.

The existence of different armed groups independent of the federal and regional governments' security forces violates the principle that only the government has monopoly over arms and the military. The monopoly of coercive power is customarily the right of the legitimate government.

The recent forays by the al Shabaab in Eastern Ethiopia, even if checked for now, could continue in different ways and threaten stability in the region. Stability in the southern region is also fragile as there have been incessant

demands for regional status by a large number of ethnic groups who have so far been subsumed under the Southern Nations, Nationalities and Peoples Region (SNNPR). These contestations could get violent and exacerbate the prevailing insecurity in the country.

The whole situation is complicated by the strong interest of foreign and regional countries like Egypt and Sudan who think that their interest over the Nile River could be served well by a weaker and internally divided Ethiopia. Hence, under this scenario there is the likelihood for direct and indirect intervention by foreign forces.

In sum, the convergence of multiple stresses occurring in the form of ethnic conflict, religious intolerance, economic collapse and external pressure is unprecedented in Ethiopian history. The future is not bright. So much so that, in contrast to the euphoria that had prevailed a few years ago, a considerable number of people are seeking refuge abroad. The confidence people then felt and the hope they entertained of raising their children in a peaceful country has evaporated.

The continuation of the current conflicts, ethnic nationalism and the constitutionally recognized right of secession could eventually lead to the disintegration of the country. Under this scenario, the collapse of the central state could inspire the formation of independent states following the boundaries of the existing regions. But it is difficult to imagine the creation of close to a dozen new independent states. It is difficult to apply the model of the secession of Eritrea and South Sudan to Ethiopia, as the Ethiopian regions did not have a separate existence before. As a result, it is difficult to foresee how international actors are going to manage recognition and succession issues, meaning it is difficult to see a clear and less chaotic path.

Accentuation of Ethno-nationalist identity

The general feeling is that ethno-nationalist identity has become too entrenched to be dismissed lightly. A number of Ethiopians have come to accept or have been moulded by the dominant narrative of ethno-nationalist identity, which has obtained official blessing since 1991. Regional states have been established on that basis and a governing elite has been created. These regional states are quite happy with the principle of the right of self-administration and their ruling elites have come to savour the prerogatives and perks of power. Indeed, it is not an exaggeration to say that those elites are determined to hang on to that power not so much to satisfy their quest for ethno-nationalist identity but because they do not want to relinquish those privileges and perks.

To some extent, ethno-nationalism has also percolated down to the general population in the regions. A whole generation has grown imbibing the idea of ethnic federalism. Likewise, ethnic federalism is the governing principle of the country. That generation has come to appreciate an arrangement that allowed it to use its own language for education and adjudication.

The accentuation of ethno-nationalist identity, spearheaded by the TPLF, has been the mantra of all ethno-nationalist movements. These movements have stuck to the principle of self-determination of nationalities primarily because they recognized its value in mobilising their respective constituencies in the struggle for political and economic ascendancy. Even after it seized central power, rather than abandoning it in favour of a pan-Ethiopian agenda, TPLF stuck to it because it assured it political hegemony and economic privilege. After it was dislodged from power in 2018, it elevated the federal discourse to a confederal one. It was able to rally behind the idea as allies, at least for a

short time, disgruntled groups from the Oromia and Southern Regions. Rightly or wrongly, the many ethnic conflicts that erupted in Western and Southern Ethiopia led by self-styled liberation movements have also been attributed to its manipulation.

The outbreak of war in November 2020 and the atrocities that attended it accentuated Tigrayan nationalism even more. TPLF managed to garner greater support among Tigrayans, particularly in the Diaspora, than it had prior to 2020. This is the context in which the rhetoric of "going to Hell if need be to dismantle Ethiopia" gained currency. This is the context in which the national tricolour, the emblem of so many Ethiopians (including Tigrayans), was either burnt or dragged on the ground. This was also the context in which TPLF launched its counter-offensive in the summer of 2021, gaining a lot of ground, albeit temporarily and at the expense of tens (if not hundreds) of thousands of Tigrayan youth.

Conversely, the depredations that attended the TPLF offensive into the Amhara Region have ignited an unprecedented level of Amhara ethno-nationalism. Amhara sentiments have generally been pan-Ethiopian in the past. But the persecution that the Amhara suffered in the post-1991 political dispensation triggered the awakening of Amhara nationalism. This nationalism first manifested itself in the form of the All Amhara People's Organization (AAPO), led by the noted surgeon, Professor Asrat Woldeyes. It has assumed an even more militant form with the birth of the National Movement of Amhara (NaMA). The recent war in northern Ethiopia provoked an even stronger outburst of Amhara ethno-nationalism inside the country and among the large Amhara Diaspora. This sentiment has been most pronounced among the paramilitary group known as the *Fanno*. Both the federal and regional governments have been so alarmed by the stridency and popularity of the

Fanno that they started detaining many of them, although they claim that those detained are common criminals and deserters from the military and Amhara Special Forces parading as *Fanno*.

In the process, the Oro-Mara (Oromo-Amhara) movement that had been the bedrock of the change of government in 2018 has come under severe test. The formal expressions of solidarity and togetherness can scarcely conceal the underlying tensions between the Amhara and Oromia political elites. The tensions have been exacerbated by the mass killings and displacement of Amhara in the Oromia Region by the OLA and the not so convincing steps taken by the federal and the Oromia regional governments to put an end to these atrocities. There are also reports of incursions by Amhara armed groups into Wellega and the killings and displacement of thousands of Oromo. TPLF political hegemony has been based on the policy of dividing the two major Ethiopian nationalities. Their post-2015 solidarity was thus a major blow to that strategy. Ironically, however, the policy of divide and rule appears to be bearing fruit after its author's demise. The Oromo-Amhara tensions have reached an alarming level in some parts of Western Oromia. There have also been tensions in Wallo and Northern and Eastern Shawa.

Under this scenario - the autonomy of the ethnic regions will be more enhanced and the federal government's powers will decline. Essentially, there are two factors that could make this scenario likely. The first is the wider autonomy that is given to the sub-national units by the federal Constitution. Unlike other federations, regions in Ethiopia run their own armed forces - dubbed special police force – and have the trappings of independent states like flags, anthems and broadcasting houses. The regional governments, considering the apparent weakness of the federal government, could demand for more autonomy. There

are in fact suggestions by some commentators about the possibility of reconfiguring the Ethiopian federal system into a confederation.

Second, the ethno-national character of Ethiopia's federalism could make such a scenario more likely. With the decline in the ability of the national government to provide security, ethno-nationalist movements could not only fill the security vacuum but also present themselves as guarantors of security to their ethnic constituencies and demand for more power from the federal government.

The emergence of this scenario will aggravate territorial and other conflicts within and between regions. It also further undermines the rights of intra-regional minorities. In addition, this scenario will be counterproductive to participatory democracy, as forces which happen to control political power both in the regions and at the federal level securitize their position and prevent broader participation in the name of taking a united stand against competing forces. The emergence of such a scenario will also pave the way for deeper intervention by regional and foreign actors in the affairs of the country, complicating the possibility of finding peaceful solutions to the country's conflicts.

Clash of Religions

There are indications that inter-faith conflict could be a recurrent feature in the coming decade. A number of incidents that occurred recently have been adduced as corroboration. The first incident took place in December 2019 in Motta town in eastern Gojjam when Christians burnt four mosques and attacked businesses of Muslim residents. This followed the detection of fire in one of the town's churches, which the Christians attributed to foul play by Muslims.

The second incident was in the form of religious clashes that erupted in Gondar in April 2022 on the occasion of the funeral of a venerated Muslim sheikh. A dispute between a Muslim and a Christian escalated into an inter-faith clash attended by a bomb explosion that killed three people and injured a number of others. The bomb explosion had all the hallmarks of the work of an agent provocateur. A number of suspects were subsequently rounded up and detained. The regional administration also confiscated weapons as a precaution, although some Muslims felt they were particularly targeted. The incident provoked a retaliatory action in the Silte zone, when Muslims went on a rampage, burning churches and killing priests.

In the capital Addis Ababa, as well, Muslims reacted to the Gondar incident by following up the Eid al Fitr (end of the Ramadan fasting period) prayers by attacking nearby buildings, including the Museum for the Victims of the Red Terror. Masqal Square itself has become a bone of contention between adherents of the Orthodox faith and Muslims and followers of other Christian denominations. The Ethiopian Orthodox Church claims a monopoly over the square, arguing that it has a title deed on it. Indeed, the square derived its name from one of the most colourful holidays in the Christian calendar, i.e. the finding of the True Cross (*masqal* in Amharic) by Queen Helena of Constantinople.

These apparently isolated incidents presage a clash of religious fundamentalisms, both Islamic and Christian. There have been some discernible signs of stridency in both camps. External agents also play a role in fanning these fundamentalisms, particularly in the case of the Islamic one. In tandem with this, there has been a noticeable radicalisation within the Orthodox Church, as can be gauged from some video messages.

In most of these incidents, social media has played a nefarious role of fanning and abetting hatred and discord. It has now become common knowledge that, much as it has been a boon, social media has also increasingly become a bane. In a country like Ethiopia, where contentious issues abound, the latter is more conspicuous. As in the political sphere, where activists and political entrepreneurs have multiplied, religious issues have also become susceptible to social media manipulation. Religious holidays in particular have become flash points of inter-faith conflict. In recent times, *Masqal* (the Founding of the True Cross) and *Timqat* (Epiphany) in the Christian calendar and *Eid* in the Muslim calendar have come to be anticipated with dread of possible conflict.

Escalation of Conflict in the Horn

Al Shabab, the militant Islamic movement that has been destabilizing Somalia for the past two decades or so, has also exported its attacks to the neighbouring countries of Kenya and Uganda. But, it had shied away from attacking Ethiopia. At the time of writing, however, it has started making incursions into Ethiopian territory. These incursions have provoked strong retaliatory measures from both Ethiopian Somali regional and federal forces. The expansion of Al Shahab activities into Ethiopia could adversely affect relations between Addis Ababa and Mogadishu. With the appointment of the new Somali president, Hassan Sheikh Mohamud, the close relations that Abiy had forged with the former president Mohamed Abdullahi Mohamed (Farmaajo) appears to have lapsed.

The war in Tigray has also cast a shadow over the relations between Ethiopia and Eritrea, which started with so much promise in the summer of 2018. From the outset, the new relationship was problematic because it was highly

personalized. The war complicated an already untenable relationship. The involvement of Eritrea in the Tigrayan conflict had its own security rationale. But the subsequent atrocities that were mostly attributed to the Eritrean forces have provided ammunition to Western powers – the US and EU in particular – to put strong pressure on the Ethiopian government to resolve the conflict peacefully and ensure the withdrawal of Eritrean forces. While Eritrea has an interest in crushing the TPLF militarily, Ethiopia has compelling reasons to resolve the conflict peacefully, as demonstrated by the November 2022 Pretoria peace agreement. This peace agreement between the federal government and the TPLF could lead to tension between Isayas and Abiy and the possible unravelling of the highly personalized rapprochement.

Another possible scenario revolves around the fate of Isayas himself. He has been in politics for about half a century and in power for nearly 30 years. That he would not be there forever would be stating the obvious. Ten more years in power for him might probably be too charitable an assumption. So, what happens after him raises a fundamental question. Despite the latent but so far not-so-potent idea of Tigray-Tigregn unity, i.e. the union of Eritrea and Tigray first mooted by the British who administered Eritrea after the end of Italian colonial rule in 1941, the relations between TPLF and EPLF have been highly troubled. The recent war has exacerbated the feeling of mutual antipathy. But, all this could change in post-Isayas Eritrea. There is thus a possibility of a Tigray-Eritrea alliance that could severely test Ethiopia.

The Tigray conflict directly led to Sudanese forces' occupation of the disputed boundary zone between Ethiopia and the Sudan. While the long and poorly-demarcated boundary between the two countries had been a contentious issue for decades, this is the first time either of the two parties has tried to resolve it

by force of arms. This opens a new chapter of confrontation that could escalate into full-scale war.

Added to that boundary conflict is the controversy around the GERD. While the chief protagonist in opposition to GERD has been Egypt, Sudan, which was initially not so hostile to the dam, has been playing second fiddle to Egypt. This has been particularly evident after the ascendancy of the military wing of the troubled coalition government that was established following the overthrow of President Omar al Beshir.

TPLF cashed in on the hostile relations between Ethiopia and its northern neighbours. Its adherents made repeated assaults across the boundary from their refuge in the Sudan. If the federal government returns the Welkayet region (or Western Tigray as the TPLF calls it) to Tigray, this would provide the TPLF a vital corridor to revitalise its military might. Sudan itself has already started making incursions into Ethiopian territory, even if it had the character of a limited operation to reclaim contested territory. As for Egypt, its abiding strategy has been to destabilise Ethiopia by all means, particularly after GERD became a reality. The Sudanese incursion itself has been viewed as an Egyptian proxy war. Egypt is at the epicentre of the politics of the Horn. It does not wish to see Ethiopia emerging as the hegemon in northeast Africa and relegating it to secondary status.

The Spectre of Authoritarianism

It is plausible that the country will witness the emergence of authoritarian rule in the next decade. Three major reasons make this scenario likely. The first is the legacy and impact of the country political culture, particularly that of the historically dominant northern part of the country, which has been hierarchical and congenial to authoritarianism. A second factor is the inability of political

leaders to develop the art of political compromise. The third is the continued failure of political leaders to address demands for structural changes effectively. Indeed, major recent reform efforts of the Ethiopian political system were foiled as leaders were unwilling or unable to address demands for structural changes. To be more precise, political openings that happened after the 1974 revolution and the 1991 change of regime were closed down, and new forms of authoritarian rule emerged. Likewise, it is plausible that the post-2018 political reforms, which initially generated strong optimism, will revert to the country's long-standing authoritarian tradition.

One can adduce various factors that contribute to derailing the post-2018 reform. First, institutions that could restrain the power of leaders are lacking. Let alone state institutions, religious organisations that have the potential to countervail the excesses of government have limited influence over the political directions of the country, partly because of the excessive control that the EPRDF had exercised over them. There are certainly improvements in the civic space as the government relaxed laws that prohibited CSOs from playing active roles in governance and human rights. Even then, few CSOs could challenge the authoritarian tendencies of the government. Ethnic division, which prevents the development of wider solidarity across ethnic lines, also reinforces authoritarianism.

The second major reason contributing to the ascendancy of authoritarianism is the inability of the political system to effectively manage conflicting political demands from different political forces. Many demands or questions are contradictory and tend to pit one ethnic community against the other. As a result, there is unprecedented violence in many parts of the country. The war in the north and conflicts in other parts of the country have put enormous stress

on the country's social fabric, undermining chances of a united opposition against authoritarianism.

Third, political leaders do not have the ability and willingness to compromise. A winner-takes-all attitude still pervades the psyche of political leaders. Amid rising violence and the declining capacity of the government to guarantee law and order, authoritarianism is being presented as an antidote to the turbulence and instability that political transitions inevitably bring about. In light of this, there is a tendency to present Prime Minister Abiy Ahmed as a saviour of the country, particularly by the state-owned media. This again is not new in Ethiopian history. Both Haile Selassie and Mengistu Haile Mariam were presented as pillars of the unity and stability of the country.

In comparison to the authoritarianism of the EPRDF under Meles Zenawi, which had both personal and institutional elements, particularly from 2001 to 2012, there is now a feeling that a new kind of personal authoritarianism under the current prime minister is on the ascendancy. Looking at the country's long history, there is again nothing new about this. Even in recent times, there are clear records that periods of political transitions which are characterised by turbulence and violence were followed by the emergence of autocratic rulers who projected themselves as guarantors of stability. This leads us to conclude that chaotic and bloody political transitions reinforce the powers of authoritarian leaders who put forward political stability as their chief political credential.

At the time of writing, the opening of the political space appears to be closing down and the government has reverted to the old tactics of cracking down on opposition voices - particularly the media. During the early period of the post-2018 change, state-owned media covered divergent views, including the

voices of the opposition parties. This was quickly closed down. They now more or less echo the viewpoint of the ruling party. The government puts direct and indirect pressure on critical media outlets.

Considering the factors mentioned above, personalised authoritarianism could be considered a likely scenario. The emergence of such a system of authoritarianism will more likely undermine political stability as regional forces which are emboldened by the decline in the power of the federal government could confront or even initiate inter-regional conflicts over territories and resources.

Widespread Extreme Poverty

Past Ethiopian governments, especially during the previous decades, have yet to show effective readiness to proactively eliminate the barriers to a peaceful and inclusive development system, which could have facilitated sustainable economic growth and development. Widespread conflict and failure to implement development projects have been obstacles to economic growth. Due to the tense security situation, no development projects are being implemented in Tigray, some parts of Oromia, Afar and Benishangul-Gumuz, and some parts of Gambella. Violent conflict is also destroying much of the economic infrastructure that the country has built over the years. Agricultural production has been undermined and the movement of people and goods highly impeded.

Further, external pressure from the Western countries, which has resulted in the suspension of the country from the African Growth Opportunity Act (AGOA) that gives duty-free access to the American market and the EU's cessation of budgetary support to the Ethiopian government, has exacerbated the shortage of the much-needed foreign exchange. These and other similar

measures have put heavy pressure on the economy. Inflation, estimated at 35% in 2022, is also putting a heavy burden on the people.

Unemployment, especially urban youth unemployment, will continue to rise to unbearable levels. In the countryside, due to the high population growth, rural land size held by individuals is declining. Landlessness is a growing problem. Rural-to-urban migration of uneducated youth and women is growing. This creates further pressures on the already high urban unemployment. Such a situation will create a fertile recruiting ground for unrest. Fighting over land, coupled with continuing civil unrest and ethnic tensions, will lead to a government crisis because currently, land is not only a source of political power but is also linked with identity.

These undesirable conditions will create further deterioration, likely resulting in expanded poverty as the number of people living below the poverty line might increase to well above the current rate of 23.5%. The economy will be in crisis, with a decline in investment, output and per capita income. The country will come to depend on foreign support for its basic needs.

Overwhelming climate change

Ethiopia also faces recurrent drought and flooding mainly due to climatic change. Due to uncertainties, no global mitigation target can be met in the next ten years. There is, therefore the likelihood of a severe climatic change in the form of prolonged flooding or severe drought that will negatively affect the economy. This will result in large human, livestock and production loss. Mass displacements and migration will be the outcome. Further, proxy conflicts will increase, and the Government will be pre-occupied with fighting for survival. The economy will weaken with the attendant inability to invest in the concerned areas.

Inflation

At the current inflation rate, one will have to pay 1400 nominal Birr after a year for an item which costs 1000 Birr today. Therefore, unless the net income of persons is adjusted for inflation, fixed-income earners will face a severe challenge to meet even the mere minimum needs of life. More specifically, due to the poor market structure and weak regulatory environment, which focuses on policing the business people, the intermediaries syphon off the surplus, leaving the farmers and the urban poor to join the new poor. The failure to contain inflation will aggravate corruption as one of the contributory factors for it has been the desire to cope with the spiralling prices of goods. In a worst-case scenario, it might even lead to the collapse of the government, as happened in Brazil and Chile in the 1960s and 1970s.

Scenario II: The Bumpy Road (Mangaragach)

A second scenario is the continuation of the current uncertain situation for the next ten years. Bumpy as that road might be, the country's problems are too intractable to find an immediate resolution. Although a peace deal has been brokered between the TPLF and the federal government, some thorny issues still need to be resolved. The thorniest of them all is the issue of Walqayt (or Western Tigray in TPLF parlance). It is not only the strong claims of the Amhara Region on the area that is at stake. It is also the strategic importance

of the district for both the federal government and the TPLF. No less contentious is the issue of the Rayya region, which is equally claimed by the Amhara and Tigray regions, not to speak of the Rayya's own yearning for a separate identity.

The instability created by the OLA in the Oromia Region will also likely continue. Much trumpeted operations to destroy the group by both the federal and regional forces have so far failed to deliver any significant result. This is partly because OLA operates as a guerrilla fighting force, organised in smaller detachments and hiding within the population. It very seldom conducts conventional warfare.

Ethiopians are facing not only insecurity but also soaring inflation that has made decent living well-nigh impossible. Yes, inflation is a global problem. But it is accentuated in the Ethiopian case by the low average income of the population, which makes it doubly difficult to cope. The Government's measures in this regard amount to little more than palliatives. In many ways, what we have in Ethiopia is more speculation than inflation. And the powers that be are implicated in that speculation, making it well-nigh impossible to control inflation. It is conceivable, therefore, that inflation will continue to make life difficult for most Ethiopians, resulting in lower standards or even starvation in extreme cases. It will also make the checking of corruption well-nigh impossible.

Decentralised despotism

In this scenario, a different kind of authoritarianism in which the regions play a pivotal role will emerge. Considering the decline in the powers of the national (federal) government, the visible incoherencies within the ruling party (Prosperity Party) and the strengthening of regional governments, it is difficult

to expect, at least in the coming few years, a centralised authoritarian system that either through patronage or coercion projects its powers across the country. The leverage of regional and sub-regional political elites has been bolstered by the dissolution of the former EPRDF, which was able to maintain tight control over the regions through its ideology of revolutionary democracy and the principle of democratic centralism. Moreover, the ability of the national government to monitor and take actions against forces that threaten its power has been undermined as intelligence and security organisations that were at the behest of the former EPRDF leadership are being reconstituted.

As a result of the strengthening of the powers of the regions and the emergence of regional and sub-regional political forces outside of the government, such as political activists who mobilise the youth, irregular armed groups and opposition parties, there is a high possibility of the emergence of a new type of authoritarianism which is decentralised. The country's federal system, which gives extensive autonomy to the regions, and the security organisations that regions oversee, like the 'special police' forces, reinforce this scenario.

The State Holds, but Conflicts Fester

Under this scenario, the central state continues but its power and influence over the regions are minimal. A likely outcome is the continuation of the ruling party in power at the centre with the support of the federal army. But conflicts are going to continue without a clear winner and loser. A critical factor that makes this scenario – the continuation of the central state – a possibility is the federal government's measures to strengthen its armed forces to foil TPLF's threat to its power. At the height of the TPLF's threat to the central government in October and November 2021, the central state used all its capacities to counter TPLF's advance towards Addis Ababa. It mobilised the public,

regional Special Forces and the militia. Since then, it has strengthened the armed forces by increasing its personnel, providing training, and procuring weapons.

There was also the revamping of the security apparatus. And yet, the government has been unable to neutralise the OLA, despite several highly advertised military operations. These indicate the possibility of a scenario in which the central government continues to hold on but has limited capacity to project its powers to areas where armed movements operate. Such a stalemate will undermine political and economic development in the country. In the long run, it will further weaken the country.

The Continuation of Ethnic Federalism

Under this scenario, the federal system will be maintained but without reforms. The continuation of the ethnic federal system could be justified by its adherents and the ruling party on the grounds of the broad support for self-administration and linguistic and cultural autonomy enshrined in the 1995 Federal Constitution. As a result, ethnicity will remain the key organising device of the federal system, albeit without its destabilising impacts. Demands for creating new regions and sub-regional entities and disputes over territory, boundary and identity between neighbouring regions will continue to cause tensions and violent conflicts. Moreover, under this scenario, the inability of both the federal and regional governments to protect the rights of intra-regional minorities will continue, and inter-ethnic tensions within the ethnic regions, as has been recently seen in Oromia, will deteriorate into inter-communal conflicts. Furthermore, continuing the secession clause in the federal constitution will accentuate ethno-nationalist sentiments.

Moreover, with the continuation of the status quo, the power asymmetry that prevails among the regions will continue, along with its destabilising impacts. As has been seen in the past few years, acrimonious relations between or among the three larger regions – Oromia, Amhara and Tigray – will continue to affect stability in the country significantly.

Weakened National Unity with competing de facto Authorities

Under this scenario, there will be a weak national government with *de facto* regional authorities. Regional states would strengthen their autonomy but allow the continuation of the national government. One reason that would militate against the complete disintegration of the country is the impossibility of gaining international recognition. But there could be endless war among the *de facto* authorities over a range of issues like land, taxes and trading routes. Political forces that control the centre may also strengthen their leverage and wage war on the regions to bring them to heel.

This scenario also foresees enhanced participation of international actors with contradicting interests. Neighbouring countries (e.g. Eritrea, Somalia, Sudan and even Kenya and Djibouti) could engage in territorial expansion ventures or seek to create security buffers. Overall the activities of international actors will help prolong the chaos, as has been the case in Somalia.

Continued Tension between Ethno-nationalism and pan-Ethiopianism

In this scenario, one anticipates the continued tensions of the two antithetical sentiments of ethno-nationalism and pan-Ethiopianism. Ethnic identity will likely continue to prevail for some time to come, thereby putting pan-Ethiopian identity under severe test. Therefore, it would be very difficult to see pan-Ethiopianism being ascendant any time soon.

Any attempt to dismantle the current ethno-federalist structure overnight would be counterproductive. It might well be a recipe for further cycles of violence. The principle of self-determination has become too entrenched. A return to the provincial boundaries of pre-1991 days (Wollo, Gojjam, Wallaga, etc.), based on geographical and economic rather than ethnolinguistic considerations, would thus be too radical a measure. Hence, under this scenario, tensions between ethno-nationalism and pan-Ethiopianism are bound to continue without significant compromise. As seen since the early 1990s, the incumbent regime could use ethno-nationalism and pan-Ethiopianism conveniently to mobilise popular support. For instance, the former EPRDF used pan-Ethiopianism to bolster support for the GERD and to mobilise popular support for the war with Eritrea in 1998. The government of Prime Minister Abiy Ahmed has also effectively used pan-Ethiopianism to counter the TPLF threat in the recently ended civil war.

Under this scenario, the problems citizens face living and working in different parts of the country will continue. Hence, the aspiration for an overarching Ethiopian citizenship reconciled with ethnic identity will not be realised.

Continuation of the Current Inter-Faith Tension

This scenario envisages the continuation of the current tension without necessarily sliding into an all-out religious conflict. What strengthens this speculation is that the evident tension is isolated rather than generic, sporadic rather than sustained. It is mainly instigated by individual acts, sometimes intended to provoke widespread confrontation. Moreover, it tends to have exogenous origins rather than being endemic. There have also been meaningful interventions by leaders of both faiths to cool off things and return things to normal. Thus, while there will be a recurrence of the incidents seen

both in the capital and outside it, it is unlikely to grow into an all-out inter-faith conflict.

Continued Stalemate in the Horn

The rapprochement between Eritrea and Ethiopia, after nearly two decades of stalemate following arguably one of the bloodiest wars the sub-region has ever seen (i.e. the Badme war of 1998-2000), has brought too many dividends for both parties to be reversed completely. For Isayas, who had been regarded as an international pariah, it had brought him some measure of rehabilitation, quite apart from the benefits of lifting sanctions. For ordinary Eritreans, too, it has opened a new window of opportunity by enabling them to settle and thrive in Ethiopia's more conducive and permissive atmosphere.

Relations with Somalia would probably not see any dramatic developments for the worse. Two recent developments indeed raise some questions. The election of a new president, who so far does not have the same kind of intimate relationship that his predecessor had with the Ethiopian prime minister, might be a sign of troubled relations. The unprecedented incursions of Al Shabab into Ethiopian territory also pose a new danger. On the other hand, if the counter-offensive Ethiopian forces have taken is any indication (including the killing of the prominent Al Shabab leader Fuad Mohamed Khalaf, aka Shongole), it might well augur the debilitation, if not the end, of the terrorist organisation. The Ogaden, far from being the springboard for Somali irredentist aggression (as in 1977), has now evolved into a bulwark of Ethiopian sovereignty. This is dramatically illustrated by the leading role that the President of the Somali Regional State, Mustefe Mohammed, and the region's special force are playing in repelling Al Shabab's incursions.

It is also unlikely that Ethiopia and the Sudan will go into full-scale war on the issue of the boundary or GERD. The Sudanese incursion in December 2020 was an opportunistic act resorted to while Ethiopia was embroiled in the Tigray conflict. It is improbable that Sudan will resort to arms once again, now that Ethiopia has managed to get the upper hand in the Tigray conflict and has strengthened its military force. Its ongoing political turmoil will also prevent it from venturing into more adventurous acts. The long and ill-demarcated boundary has remained unsettled in its long history of some 120 years, with trans-frontier agricultural settlements being a familiar pattern. Some encouraging steps towards its resolution have been aborted more than once because of internal developments in one or the other country. So, the current stalemate will likely continue for some time. The pattern of pinpricks against Ethiopia when it is perceived as weak and vulnerable and relenting when it is perceived as strong will characterise future relations between the two countries.

Nor is the GERD likely to lead to a full-scale war between Egypt and the Sudan on the one side and Ethiopia on the other. In any case, Sudan has not been as vocal and vehement as Egypt in its opposition to the dam. Even the Egyptians have slackened in their diplomatic offensive. They have tried all options, from bringing the matter to the UN Security Council to wooing the mercurial Trump to utter outlandish statements about the bombing of the dam. With three fillings of the dam already accomplished, GERD seems a fait accompli. None of the anticipated injurious effects of the filling have materialised.

On the contrary, Sudan has been subjected to annual flooding since the filling began. So, there is a high possibility that the Egyptians will be resigned to the dam's operation, albeit grudgingly. Their concern from now on will be about

more than just the hydroelectric use of the dam but about the possible use of the waters of the Nile for irrigation purposes.

Business as Usual in Economic Management

The Ethiopian people are known for their tolerance and for valuing the survival of the country and its territorial integrity more than any short-term economic benefit. The current inflationary situation and the challenging economic reality might not move the people into mass protests, and the country might continue with the current situation. The government will probably take some measures as it is doing now, which might result in some positive improvements. Still, it might work to maintain the status quo without a fundamental breakthrough in developing the economy. The economy might show some progress, but uncertainty on the part of investors and all economic agents might result in sluggish growth. Still, higher poverty, low per-capita income, lower economic well-being and dependency on foreign aid might remain the country's main economic characteristics over the next ten years.

The Inviolable Land Tenure

Land privatization is improbable because the land issue has been evolving in a complex way, including that land is no longer a simple factor of production as it is usually argued in economics. The fact is that land tenure policy is currently a constitutional issue, which is a source of political power. Land also has identity implications in the current Ethiopian political economy. Thus, land tenure reform, which subsequently leads to sale and purchase, cannot be a possible policy option in the coming decade. It is probable that the continued prevalence of the current land policy is an inescapable fact. No action signalling land privatisation is evident. The signals are that the government

repeatedly asserts that it will continue operating under the current institutional setup, including its adherence to the constitution that is in force.

It is also argued that wealth creation through land privatisation will be inequitable. Land ownership might be concentrated in a few hands, leaving the bulk of the society landless. Even a change of government may not bring about the privatisation of land. Remember that the imperial land system was characterized by high tenure insecurity, which prevented peasants and farmers from the full benefit of their labour. It is unlikely that the current government will seriously entertain land privatisation despite its decision to privatise mega public projects. It is also observed that there is no opposition political party, except Ethiopian Citizens for Social Justice (Ezema), which advocates a policy of privatisation of land ownership. Thus, the current land policy will continue, at least for the next decade.

Ineffective Privatisation of Mega Companies

In recent years, the government has shown an inclination to privatise some of the major state-owned enterprises. Already, there have been moves to privatise the sugar factories. Even the hitherto no-go area, Ethio telecom, is being considered for partial privatisation. Privatisation of the financial sector, another taboo subject until now, is also being mooted. These moves will be accelerated with the ongoing Forex crunch and the rapprochement with the Western powers that the recent peace deal envisages.

However, these privatisation moves are not without their problems. For example, most of the mega projects, such as the sugar plants, are major employers in the public sector, and, if privatised, only some investors will carry over the entire labour force. Thus, the privatisation of these projects will create massive unemployment and will create more inequality. On top of this,

the capacity of the Ethiopian private sector, which is expected to participate in the privatisation process, could be stronger. Hence, even if privatisation occurs, there is the perception that the weak domestic firms may not guarantee sustainable development as enshrined in the Ten Year Development Plan. Thus, it is highly probable that existing state enterprises will remain in the hands of the government during the coming decade.

Inability to sufficiently counter Climate Change

Many areas of Ethiopia will maintain moist climate conditions, and agricultural development in these areas could help offset the decline in rainfall and reduced production in other areas. The degree of compliance with the Paris Agreement is not encouraging. Technically, there is a limit to adaptation, and no global targets of mitigation have been achieved. The recurrent drought and flooding might continue in Ethiopia. Thus, owing to these uncertainties, and barring any fundamental countermeasures, the negative impact of climate change will, at best, stay at the current level over the next ten years.

Ineffective Policy against Inflation

There is a lingering perception that there needs to be an effective government policy (or policies) to counter the inflation effectively This is because inflation in developing countries like Ethiopia cannot be dealt with using the orthodox economics approach, as is done commonly because its economic structure causes the problem. In Ethiopia, inflation is a structural problem and requires approaches different from the usual aggregate demand/supply model. The orthodox analysis assumes the existence of balanced and integrated structures in the economy where production, consumption, and backwards and forward linkages in response to market signals are reasonably smooth and fast, so that it would be rational to think in terms of aggregate demand and aggregate

supply. However, the Ethiopian economy is still characterised by backward subsistence agriculture, weak institutions, underutilisation of natural resources, and frequent conflict. Because of this, it is challenging to apply aggregative analysis to the situation, and the problem will continue, and the system will continue to survive.

It is to be recalled that over the past decades, inflation was in double digits for several years. For example, it was 13.7% in 2003, 17.2% in 2007, 33.2% in 2011, 13.8% in 2018, 20.4% in 2020 and 26.8% in 2021. In 2022, it stood at 35%. This trend shows that inflation is a phenomenon embedded in the Ethiopian economy. It is caused by structural factors such as violent conflict, resource gap, food production, foreign exchange and infrastructural bottlenecks, and cost of production, excessive aggregate demand and speculation. The scenario envisages that curbing these structural elements will take longer, and inflation will continue.

Scenario III: Spring (Tsedey)

Resurgence

The third scenario is the resolution of all the stresses and strains that have bedevilled the country and the emergence of a resilient Ethiopia. The problems that the country currently faces might seem dire. But, in the longer perspective, they are not insurmountable. In the past, the country has weathered the raids

of Yodit/Gudit, the wars of Ahmad Gragn and the Oromo population movement of the sixteenth century, the weakening of imperial power during the *Zamana Masafent*, the problems of royal succession in the early 20th century, the trauma of Fascist Italian Occupation in 1936-41, and the revolutionary upheavals of the last quarter of the century. It has shown its capacity to rise from the ashes and re-emerge stronger and more united.

Contributing to that re-emergence would be the faith of its people in the country's endurance quality and the building of a national army that is reflective of its diversity and yet determined to ensure its essential unity. The regional forces threatening the country's unity would be integrated with the National Defence Force and thus be a positive rather than a negative factor.

Another significant development is the establishment of a National Dialogue Commission. There might be some disagreements about the manner of selection of the Commissioners. Some parties have declared it to be "dead on arrival". Yet, most people are prepared to give it the benefit of the doubt and wish it to succeed. The care and method with which the Commission has set out to execute its mandate seem to augur well for its success. Already, government and non-governmental agencies, including civil society organisations and foreign donors, are organising activities that would provide valuable inputs to the Commission's deliberations.

The National Dialogue Commission could be seen as the culmination of inter-party dialogue that has emerged in recent years. A new thinking of resolving differences through discussion has been introduced. Political parties that could not sit down and discuss their differences a few years back had come together to discuss and chart the common destiny of the country. Under the auspices of the Ministry of Peace and Destiny Ethiopia, they forgot their seemingly

irreconcilable political positions and came together to discuss possible scenarios for the country. They even set up an Inter-Party Council to serve as their common platform.

The Pre-eminence of Inclusive Pan-Ethiopianism

The country's historical experience suggests that pan-Ethiopianism will eventually re-emerge triumphant. The legacy of the Adwa victory, when Ethiopians forgot their political differences and rose as one to thwart Italian colonial aspirations, is its driving force. A similar rallying behind the national cause was witnessed in 1977-78 when the country saw massive mobilisation to reverse Somali aggression. While these manifestations belong to the pre-1991 era, the resurgence of pan-Ethiopianism in critical moments even after 1991 is even more striking. A generation that grew up inculcated in the paramountcy of ethnonationalism has rallied more than once behind the pan-Ethiopian cause. This was witnessed first during the Ethio-Eritrean War of 1998-2000. To the surprise of even the EPRDF itself, which had assumed that pan-Ethiopianism had been dead and buried, Ethiopians from all corners rallied behind it to achieve victory. It was witnessed again in 2020-21 when Ethiopians again rallied behind the federal government in its confrontation with the TPLF.

The initial popularity of the Prime Minister stemmed from the almost missionary zeal with which he embraced the pan-Ethiopian idea. His acceptance speech, in which he evoked the name Ethiopia dozens of times, marked a clear departure from the EPRDF era. Hence the adulation that he enjoyed both inside the country and among the Diaspora. True, his popularity has waned over time as he failed to address the chronic problem of insecurity. But, the initial enthusiasm nonetheless indicates the residual power of pan-

Ethiopianism. Pan-Ethiopianism may be battered under the barrage of ethno-nationalist assault. But it tends to rise once again from the ashes.

The celebration of the 126th anniversary of the Adwa Victory witnessed once again the residual power of pan-Ethiopianism. In a way, the incident was provoked by the Government, specifically the Ministry of Culture and Sports. Oromo leaders in the federal government, both under EPRDF and in the post-2018 political dispensation, have been uncomfortable about celebrating the event at the statue of Emperor Menilek, who is depicted as the ultimate monster in the Oromo ethno-nationalist historical narrative. Thus, shifting the venue for the celebration from Menilek II Square to the vicinity of Adwa Bridge provoked widespread protest and unprecedented popular turnout at the statue, once again making an emphatic pan-Ethiopian statement.

As these lines are being written, the country is once again witnessing the indestructible power of pan-Ethiopianism. The Ethiopian athletic team that shone so brilliantly at the 18th World Athletic Championships in Oregon (USA), standing second only to the host country by winning a total of ten medals (four of them gold), was given a hero's welcome in Addis Ababa. What makes the event particularly remarkable is that three of the athletes who raised the Ethiopian flag high on the global stage hail from Tigray, the hotbed of the current crisis in the country. Just as generations of Oromo athletes, from Abebe Bikila to Tirunesh Dibaba (the famous "green flood" or አረንጓዴ ጎርፍ), have succeeded in putting Ethiopia high on the pedestal of the global athletic landscape, a new generation of Tigrayan athletes, represented by Letesenbet Giday, Gudaf Tsegay and Goytitom Gebre Sellassie, is raising the country to new athletic heights.

What the performance of generations of Ethiopian athletes underscores is the gap between the perceptions of the elites and the commoners. Almost all these athletes achieved their prodigious exploits as Ethiopians rather than as Oromo, Tigrayan, or Southerners. Ethno-nationalism has generally been the preserve of the political elites. And the experience of the past decades illustrates that those elites have stuck to that ideology much more to attain political hegemony and reap economic benefits rather than out of genuine commitment.

However, pan-Ethiopianism is bound to re-emerge in a redefined shape. Rather than the strident form in which it manifested itself in the past, it will accommodate ethno-nationalist sentiments. One can thus visualise a scenario where the contradiction between the two apparently antithetical sentiments will be resolved through mutual accommodation. In short, the contradiction between the thesis and antithesis will be resolved in a harmonious synthesis. Accordingly, the federal Constitution will be revised to engender an inclusive pan-Ethiopianism that enshrines overarching citizenship while acknowledging the rights of nationalities to exercise their languages and cultures freely and enjoy self-administration. At the same time, regional constitutions will be revised so that they recognise the rights of minorities to reside in peace and to work freely. One could then be proudly Amhara, Oromo, or Tigrayan, as well as an Ethiopian citizen. Individual aspirations for ethnic identity will be accommodated within the framework of pan-Ethiopian citizenship.

Nor would this be the first time that such a resolution has been achieved. There are many countries where people would have no difficulty reconciling their ethnic identity with their national citizenship. Switzerland is the best example. Even in Africa, which has had more than its share of conflict, identity-based conflicts are decreasing rather than increasing.

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That sanity could prevail amid ethnic discord was demonstrated by the Gamo Elders of Arba Minch in September 2018. Earlier in the month, Oromo youth had attacked non-Oromo residents of Burayu, a suburb of Addis Ababa, killing over 20 people, mostly Gamo residents, and destroying property. In retaliation, Gamo youth in the town of Arba Minch were gearing up to attack Oromo businesses in the town when Gamo elders implored them to desist by kneeling and holding uprooted grass aloft in line with Gamo tradition. Their success in averting a vengeful bloodbath and destruction of property won the elders' national accolade. Oromo elders led by their *Abba Gada* travelled to Arba Minch to express their gratitude. The Gamo elders were given the special Bego Sew award a year later for their exemplary intervention. l

Nor are such traditional methods of conflict resolution unique to the Gamo. Many Ethiopian nationalities, including the Gurage, the Afar and the Tigrayans, to name only a few, also have a rich tradition of governance and conflict resolution. These are assets that will help to resolve the inter-ethnic tension that is prevalent now.

Inclusive and participatory political settlement

An authoritarian system – be it personal or decentralised – is untenable at present because of a range of factors: multifaceted resistance to authoritarian rule, the emergence of a media space (social media) which is out of the control of the state, the mobilisation of youth and international pressure. Moreover, unlike in the past, authoritarianism cannot be presented as a source of stability. The post-2015 chain of events in Ethiopia shows that authoritarian rule cannot guarantee long-term stability. Another feature of the current political landscape that makes the formation of inclusive politics likely is the inability of one political group to impose its will on others.

As a result of all these, inclusive political settlement, meaning the (re) configuration of power and the forging of rules of the game for the country's politics through protracted negotiations, could be a likely scenario. Such a settlement in many cases, involves power sharing arrangements which could either be based on electoral results or could emerge without elections. While inclusive political settlements in the short term help to stem instability, it could embolden political actors (ethnic entrepreneurs) by giving them political power and opportunities to consolidate their support among their constituencies.

The type and essence of inclusive political settlement that could emerge in Ethiopia in the next ten to twenty years will be determined by the power dynamics on the ground. As has been seen from the experiences of countries like South Sudan, a temporary power-sharing arrangement emerged after a protracted negotiation and after the parties were subjected to intense international pressure. For the time being, notwithstanding the token concession it has made by appointing three ministers from the Opposition, the ruling party (Prosperity Party), which has a relatively fresh mandate, may hesitate to enter into a power-sharing arrangement. On the other hand, opposition parties which rejected the June 2021 elections actively call for a transitional arrangement which could enhance their chances of sharing power. In sum, a power-sharing arrangement neither guarantees democracy nor long-term stability. As has been witnessed in countries which established power-sharing arrangements to arrest violence, the impact of such a measure is short-term and would not bring fundamental changes unless it is backed by the building of democratic institutions and a more inclusive political arrangement.

Peaceful resolution of conflicts

The third scenario envisages the peaceful resolution of conflicts. As the ability of one party to win and take all the spoils of victory is limited, both the ruling party and the major contending parties may enter into negotiation. Several factors reinforce this scenario, including the dire state of the economy, international pressures and public fatigue. First, for all practical purposes, the economy is now in deep crisis despite the government's claim of significant growth at the macro level. There is a runaway inflation which is crippling the ability of lower and middle-income households to make ends meet.

Second, there has been intense international pressure on the government to resolve the conflict peacefully. The Western powers, which were the main supporters of the Ethiopian government before the war in Northern Ethiopia, not only appeared to have sided with the TPLF, particularly during the height of the latter's offensive in the summer of 2021, but also put enormous political, economic and diplomatic pressure on the Ethiopian government. The signing of the Pretoria peace agreement between the federal government and the TPLF could provide impetus to the peaceful resolution of other conflicts, including the OLA insurgency in the Oromia region.

Third, there is simply public fatigue at the continuation of the war. In Tigray and the rest of the country, there was a high level of mobilisation of fighters and resources for the war effort. Hence, there are pressures on both the federal government and the TPLF to implement the Pretoria peace accord.

Peaceful Religious Coexistence

Contrary to the grim first scenario, there are indications that the long history of peaceful coexistence and inter-faith harmony will prevail. The incidents

cited in that scenario result from isolated individual acts rather than being signs of fundamental cleavage. The country's experience indicates that a clash of religions on a grand scale is unlikely. Even amidst the current tense relations, there have been remarkable examples of inter-faith harmony. For instance, during the recent war in northern Ethiopia, *Abune* Ermias, the bishop of the Semen Wollo branch of the Ethiopian Orthodox Church in Woldiya, won the nation's admiration by collecting money from the laity and distributing it equally to both Christians and Muslims afflicted by the war. Following his example, Muslim religious leaders collected money and gave it to the *abun*.

Another encouraging development is the emergence of inter-faith institutions designed to resolve religious disputes. The first institution of this nature was the Ethiopian Inter-Faith Forum for Development, Dialogue and Action (EIFDDA), set up in 2002. It did not enjoy the support of the Government or the Church. The Patriarch was vehemently opposed to the initiative, presumably because of its foreign provenance. However, the government, conscious of the need for an inter-faith institution, has been more supportive of the Inter-Religious Council of Ethiopia, established in 2010. EIFDDA has also been working closely with the Council.

Historically, government interference in religious affairs has deleteriously affected religious harmony. Such interference assumed a drastic form during the Darg period when it not only deposed the reigning patriarch, Abune Tewoflos, but went on to detain and eventually execute him. EPRDF interference in Islamic affairs led to a protracted period of tension (2011-2015) and the incarceration of dozens of Muslims. The tension began with the Government's attempt to impose what was known as the Ahbash sect in Islamic teaching in an apparent effort to counter foreign interference spearheaded by the Saudi-based International Islamic Relief Organisation

(IIRO). This led to widespread protests among the Muslim community, with the catchphrase "Let Our Voices Be Heard".

Government interference has been less marked in the post-2018 period. Government intervention has sometimes had benign rather than malign effects. For instance, one of the first acts of the new Prime Minister was to finalise the reconciliation process between the two antagonistic synods within the Ethiopian Orthodox Church during his visit to the United States.

Therefore, one can conclude that the existence of the above-mentioned inter-faith institutions will contribute to the fostering of harmony and the peaceful co-existence of religions, a distinctive feature of Ethiopian history. The Government will also learn the lesson from the negative outcome of past interference in religious affairs and adopt a hands-off policy. Added to the country's social capital described above, the next ten years will be marked more by harmony than discord. Moreover, the fostering of secular culture will eventually succeed in relegating religion to the individual sphere and thus reduce its potential as a source of inter-communal conflict.

Multinational Federalism

Under this scenario, the federal system will be maintained but with essential reforms. The reforms could address the design and implementation challenges of the federal system. First, broader democratisation of state-society relations would have a salutary effect on federalism, as genuine federalism cannot be imagined without democracy. Second, it would also be crucial to mitigate the structural causes of the rise of ethnic nationalism by reforming the federal system. This relates to ethnic territoriality, that is, the convergence of ethnicity and territory for self-administration, which has been instituted as one of the fundamental organising principles of the federal system. The creation of

regions and sub-regional entities that converge territory and ethnicity would create demands for more regions and sub-regional entities, cause territorial and identity disputes, which could escalate into secessionism. The presence of a secession clause in the constitution exacerbates ethno-nationalist sentiments. Despite all these limitations of the federal system, as self-administration and linguistic and cultural autonomy have broad support, the existing federal system will likely be maintained but with significant reforms.

Two significant reforms under this scenario would help bring about a multinational federal system and promote overarching national unity and citizenship. The first is the removal of the secession clause from the Constitution. This would help to develop trust among the major players and rule out the prospect of disgruntled politicians raising the issue of secession if they fail in dominating either national or regional politics. The second would be the breaking up of the larger ethnic regions into several smaller units. One major problem of the Ethiopian federal system is the power asymmetry that prevails among its constituent parts. As seen in the past few years, relations between or among the three larger regions – Oromia, Amhara and Tigray – significantly affect wider stability across the federation. Hence, the reduction of the asymmetry of power between the ethnic regions through reform would help to bring more stability. As the experiences of other federations (e.g. Nigeria and India) show, the proliferation of sub-national units would help to reduce intense struggles between major ethnolinguistic groups to control the political centre and thereby reduce political tension.

Another plausible area of reform under this scenario is security governance. Presently, regional governments run armed forces called special police forces. The forces were used in the Tigray conflict by both sides. The Special Forces have a dubious record concerning the protection of human rights. These forces

could be used in inter-regional conflicts and threaten the federal government. Under a reformed federal system, the size and functions of regional security forces, including Special Forces, will be limited.

Lastly, this scenario foresees reforms that help to bring about overarching national citizenship. Some of the possible reforms in this area include policies that promote multilingualism and protection of the rights of non-titular ethnic minorities (minorities who are considered non-indigenous) by promoting multiculturalism at regional and sub-regional levels. Such reforms would enhance political participation and representation of minorities in the regions where they live and call home.

Sub-regional Integration

Under the best of circumstances, the Horn of Africa has all the ingredients for sub-regional integration. Many of the peoples of the sub-region have cross-boundary affiliations. The Afar are found in Eritrea, Ethiopia and Djibouti. Somalis are found in Somalia, Somaliland, Djibouti, Ethiopia and Kenya. The Tigregna language is spoken across the Ethio-Eritrean boundary, not to speak of the historical affinities of the two peoples. The Nuer of Gambella are found in Ethiopia and Sudan, while the Beni Amer straddle Eritrea and the Sudan. The Oromo are located on both sides of the Ethio-Kenyan border.

In addition to the linguistic and ethnic affinities, the countries of the sub-region are economically interdependent. The Italians realised this before anyone else. After declaring their colony of Eritrea in 1890, they discovered that Eritrea was only viable with the Ethiopian hinterland. Hence their encroachment into Ethiopia until their grand venture came to grief at the Battle of Adwa in 1896. In 1936, they had their revenge. They united Eritrea with their newly

conquered Ethiopia and added Italian Somaliland to the lot to proclaim their short-lived empire of Italian East Africa (Africa orientale italiana).

In 1977, Fidel Castro, a friend of both Mengistu Haile Mariam of Ethiopia and Siyaad Barre of Somalia, envisaged a tripartite federation of Ethiopia, Somalia and Yemen. The addition of the last mentioned, which was geographically distant and had no distinct affinity to either of the two others, made the whole idea untenable from the outset. Soon, the entire idea evaporated under the deafening roar of guns as the two countries plunged into a bloody war.

Much more recently, Prime Minister Abiy followed up his ascent to power not only with the thawing of relations with Eritrea but also with an unprecedented level of intimacy with Somali President Mohammed Farmaajo. There developed a threesome camaraderie between Abiy, Isayas and Farmaajo, with publicized much-publicised reciprocal visits to each country. Although not clearly articulated, the idea of a confederation of the Horn, or at any rate of the three countries, appeared to be on the agenda. This is not a far-fetched idea. However, the recent change of leadership in Somalia and the apparent cooling off of relations that seems to have crept in between Abiy and Isayas might jeopardise the enterprise.

But the idea of a confederation between Ethiopia and Eritrea is not new. After all, the two had already experimented with federation in the 1950s, even if its abrogation in 1961 was to have disastrous consequences. But the failure of the federation formula in the past does not mean that confederation could not be entertained in the future. Professor Tesfatsion Medhane, Emeritus Professor of Bremen University and a former adherent of the ELF, has dedicated numerous writings to the idea. Isayas is on record more than once saying that confederation or even union between the two countries cannot be ruled out.

However, whether Sudan can also be considered part of this confederal arrangement is problematic. Its affinity with the other countries of the Horn is less pronounced. Even if a good deal of ambivalence has marked it, its historical ties have been more with Egypt than with the other countries of the Horn. On the other hand, it is the only country of consequence that could allay fears of Ethiopian hegemony in any confederal arrangement.

Economic Prosperity

Ethiopia achieved one of the fastest growth rates globally from 2010-2019, recording an 8.8% growth rate in 2019. Although it was less than that figure, the growth rate for 2020 was 6.1%, and that of 2021 was 5.6%. These figures show the potential for continued fast economic growth. In addition, the government has put in place several positive reform measures. The Ten-Year Perspective Plan (2021-2030) envisages lifting the country to a middle-income level by 2025. Enhancing agricultural productivity is one of the major focus areas of government policy, and the current expansion of irrigated wheat production and mechanisation of farming is one of the positive contributions to food security and improved well-being.

The Green Legacy project, which has resulted in the planting of billions of trees so far, will counter adverse climatic change and contribute to sustainable development. The Government has also decided to conduct a national dialogue to build consensus. The recently concluded peace deal with TPLF might form a prelude to the peaceful resolution of conflicts in other parts of the country. There are also positive efforts to normalise diplomatic relations with countries that have been critical of the government because of the war in Tigray. All these efforts can create the highly-needed peace and stability for investment, and free movement of factors of production and trade.

The political and economic reform processes will be put on track and the democratisation process will succeed. A truly democratic and all-inclusive economic governance will be established in which peace and stability prevail. In such circumstances, Ethiopia will attract more internal and external private investment, employment opportunities will be expanded, technological development and application will be improved, environmental protection measures will be effectively implemented, trade and foreign cooperation will be strengthened, and there will be a fast overall economic growth and poverty reduction. The poverty level will decline below the current 23.55%, and per capita income will rise substantially. The dream of prosperity will become a reality by the end of the next ten years.

The private sector will become a driving force

In the classical argument for privatisation, state-owned economic entities were associated with inefficiency because of an absence of competition among SOEs. However, the Ethiopian experience does not conclusively validate this argument. SOEs have been, in some cases, incredibly efficient (e.g. Ethiopian Airlines, Ethio-telecom, etc.). However, the Government could provide more support to private sector to facilitate the conditions for a competitive economy. The government could, for instance, facilitate the establishment of public-private partnerships (PPPs) which, if properly implemented and regulated, could result in improved performance and development.

Better diplomatic relations will ease the negative international pressure. The government will get much-needed foreign exchange and investment, and there will be a substantial economic upturn. The government will effectively pursue an inclusive economic reform, implement an effective anti-corruption policy and strategy, improve incomes, particularly for those at the lower end of the

wage spectrum and stabilise the economy. Stable growth will be achieved to everyone's satisfaction.

The Grow Green Drive

Over the past decades, Ethiopia has faced hazardous climatic changes due to environmental degradation. But the Ethiopian Government has already put in place several policies, strategies and programs aimed at enhancing the adaptive capacity and reducing climate variability and change. Thus, the country's Climate-Resilient Green Economy (CRGE) strategy focuses on four pillars: agriculture, forestry, renewable energy, and advanced technologies. It is also intended to protect the vulnerable population. The Government has adopted the 'Intended Nationally Determined Contribution' (INDC) of the Federal Democratic Republic of Ethiopia, which aims at reducing the country's carbon emissions. The government has also formulated a climate change adaptation program (ECCAP). Application of new environmentally friendly production methods, effectively promoting green growth, reforestation, international cooperation in desert locust control, successful completion of GERD and effective utilisation of other natural resources will put the economy in a more resilient and robust industrial position.

Concerning macroeconomic stability, the Government would successfully counter inflation with improved public budget management, improved monetary and trade policy, and peaceful settlement of all domestic conflicts. These measures will facilitate the growth of production for domestic consumption, and inflation might be reduced over time. Then, the economy can be on the path to stability and growth. Possible solutions could include stopping widespread conflicts, putting a brake on the money supply, regulating the distribution and logistics of goods and services, improving the import of

basic items of consumption, fighting corruption and supporting the poorest sections of the population.