



Ethiopia

Ethiopia is Africa's fastest growing economy, its second most populous country, and its oldest independent state. It plays a key leadership role in the region. For the United States, Ethiopia is an important development and regional security partner, but it has also been a source of concern regarding human rights and political freedoms. Relations have centered on efforts to alleviate humanitarian crises and endemic poverty in the country as well as to respond to instability and terrorist threats in the region. Ethiopia has been plagued by recurrent drought and food insecurity, and the United States is its leading humanitarian aid donor.

Ethiopia hosts the African Union (AU) and is the world's largest troop contributor to U.N. peacekeeping operations. Its peacekeepers play a lead role along the volatile Sudan-South Sudan border and in the U.N. Missions in Darfur and South Sudan. Ethiopia also plays a critical role in efforts to counter the Al Qaeda-linked group Al Shabaab in Somalia. As a member of the East African Intergovernmental Authority on Development (IGAD), Ethiopia has hosted various regional peace negotiations. It hosts one of Africa's largest refugee populations: almost a million refugees from South Sudan, Somalia, Eritrea, and Sudan.

Ethnic and political tensions have spurred concerns about Ethiopia's stability in recent years. A violent crackdown on protests in its populous Oromia and Amhara regions that began in late 2015 resulted in hundreds of deaths. The government placed additional restrictions on expression and assembly under a state of emergency imposed from October 2016 to August 2017; over 20,000 people were detained. The protests quieted briefly but surged again in late 2017, increasing pressure on the government. Ethnic violence also flared in parts of the country: over two million people have been displaced by conflict since mid-2017. The government pledged reforms and in early 2018 released hundreds of jailed regime critics. The pace of change quickened after the election of a new prime minister, Dr. Abiy Ahmed, who has commenced political and economic reforms and diplomatic efforts that could be transformative for the country. Resistance from hardliners and simmering ethnic tensions pose potential challenges to his reform agenda.

Background

Diplomatic relations between the United States and Ethiopia, one of two African countries that avoided colonial rule, date back over one hundred years. In the 20th century, Ethiopia's politics were largely dominated by three leaders. Emperor Haile Selassie ruled from 1930 to 1974, when he was deposed by a socialist military junta known as the Derg. Led by Mengistu Haile Mariam, the Derg was implicated in massive human rights abuses and policies that contributed to a famine in which hundreds of thousands died. In 1991, the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF), a coalition of ethnically based opposition groups, overthrew the Derg and took power.

Figure 1. Ethiopia: Key Facts

Capital: Addis Ababa
Population: 105.4 million
Comparative area: slightly less than twice the size of Texas
Religions: Ethiopian Orthodox 44%, Muslim 34%, Protestant 19%
Official language: Amharic
Life expectancy: 62.6 years
Literacy: 49.1%
GDP; GDP growth: \$85.7 billion; 8.5%
GDP per capita: \$910 (2018 est.)



Source: CRS map. Facts from CIA and IMF reference databases.

EPRDF leader Meles Zenawi, head of state from 1991 until his death in 2012, was a powerful figure in Ethiopian and regional politics. He was credited with spearheading Ethiopia's rapid economic growth over the past 15 years. However, as leader of both the EPRDF (now an alliance of four ethno-regional parties) and one of its components, the Tigray Peoples' Liberation Front (TPLF), he also was accused by critics of stifling dissent and ensuring that his minority Tigray ethnic group dominated the government.

Current Political Context

Meles' successor, Hailemariam Desalegn, surprised many when he resigned in early 2018, to pave the way for reforms. Abiy Ahmed was elected in late March to replace him, both as EPRDF chairman and as prime minister. At 42, he is Africa's youngest leader. An ethnic Oromo and military veteran, Abiy has announced a range of initiatives to reduce divisions, both within the country and with neighboring Eritrea. Even many critics of the EPRDF have responded with cautious optimism to the release of hundreds of political opponents from prison, changes to the leadership of the security services, an end to the state of emergency, and Abiy's outreach to opposition groups. Civic activists argue, though, that substantive reforms are needed before elections, scheduled for 2020, are held.

A tradition of authoritarian rule has impeded participatory democracy in Ethiopia, despite regular elections since the overthrow of the Derg. The EPRDF has dominated elections since 1995. Polls in 2005 were marred by violence, with an estimated 200 people killed by security forces during post-election protests and the detention of thousands of opposition members, journalists, and civic activists. In 2010, the EPRDF won 99.6% of the votes in elections that were generally peaceful but deemed unfair by U.S. and European monitors and governments. The EPRDF won all 546 legislative seats and all but 21 of 1,987 regional state council seats in the most recent polls, in 2015. AU observers called them technically "satisfactory" but noted concerns with laws limiting civic participation.

Critics contend that the EPRDF has stifled dissent through laws and electoral regulations that have given it a major political advantage. The 2009 Charities and Societies Proclamation imposed stringent government oversight of civil society groups, limiting foreign funding and restricting activity aimed at promoting human and political rights. An anti-terrorism law, also enacted in 2009, has been criticized for its expansive definition of terrorism, harsh penalties, and low standards for evidence. Ethiopia ranked among the world's most censored countries until 2018, with opposition activists and journalists jailed on national security charges, amid reports of torture and other abuses by security forces.

Efforts to suppress dissent intensified in late 2015, as protests over the perceived marginalization of the Oromo (the largest ethnic group) and the Amhara (second largest) escalated. The government responded with force and large-scale arrests. Ethnic clashes along the border of Oromia and Somali states in 2017 spurred large-scale displacement and a new round of protests in Oromia began. Under pressure, the EPRDF launched a process of “deep reform,” and in January 2018 Hailemariam announced that “political” prisoners would be released. Some hardliners reportedly resisted, and a new state of emergency “to restore law and order” raised concerns about the commitment to change.

Abiy's election suggests that reformers in the EPRDF are ascendant, though not all welcome his agenda. He has invited critics in exile and former insurgents to return. In a major August 2018 shakeup, he replaced the leadership of oil-rich Somali regional state; top officials were arrested for ethnic and religious incitement and abuses linked to a long-running counterinsurgency campaign. Dozens of senior security officials have also been arrested for human rights violations and corruption, shaking the system and testing the loyalty of the security forces. Abiy has appointed an unprecedented number of women to senior posts, including defense minister and head of the supreme court. The parliament has appointed Ethiopia's first female president (a largely ceremonial post). Abiy shocked many with his choice of Birtukan Mideksa—a former judge, opposition leader, and political prisoner—to manage elections.

Regional Concerns and Relations

Instability in neighboring Somalia is a top security concern for Ethiopia. Its troops deployed there in 2006 to oust a network of Islamist court militias that had seized control of Somalia's capital. That led to a long campaign against Al Shabaab and other insurgents. Ethiopia joined the U.N.-mandated African Union Mission in Somalia (AMISOM), to which it contributes over 4,000 troops, in 2014. Ethiopian concerns in Somalia are linked to domestic considerations regarding its own ethnic Somali population and other factors, including regional influence and prospective economic opportunities and port access.

Apart from Somalia, Ethiopia's main regional concern has been its antagonistic relationship with Eritrea, which seceded from Ethiopia in 1993. The countries fought a deadly border war in the late 1990s, and a lingering border dispute created a standoff between the two. They supported proxy forces in the region against each other, including in Somalia. In June 2018, Abiy extended an olive branch, announcing that Ethiopia would comply with a peace deal

signed in 2000 with Eritrea and cede disputed territories; the countries have since taken steps to restore ties.

The Economy

Ethiopia has had one of the world's fastest growing economies for over a decade. Its per capita income, however, remains among the world's lowest, and unemployment is high. Development indicators—literacy levels, rates of birth and infant mortality, life expectancy—are improving. Ethiopia struggles with severe drought: 7.9 million Ethiopians face acute food insecurity in 2018.

Agriculture accounts for 70% of employment and a third of GDP. Coffee is the largest export. The EPRDF has sought to transform the economy through large-scale infrastructure and electricity production projects, with the aim of making Ethiopia a manufacturing hub, and by leasing large swaths of agricultural land to foreign investors. It argues that the land leases bring critical foreign investment and large-scale agricultural production that will spur growth. Such leases have displaced farmers, however, and human rights groups suggest that some of the resettlements are forced. Concerns have also been raised about forced relocations and the environmental impacts of hydroelectric projects, notably the Gibe III and Grand Ethiopian Renaissance dams. The latter is Africa's largest hydroelectric power project and would allow Ethiopia to export electricity to its neighbors. It has been a source of tension with Egypt, which is concerned the dam would stem the flow of a critical water supply on which Egypt relies.

Ethiopia's ambitious development agenda, while fueling economic growth, has led to a risk of debt distress, and a severe foreign exchange shortage has reportedly deterred investors, including China. Prime Minister Abiy has begun to open state enterprises and some sectors to foreign investors. The banking sector, however, remains closed.

U.S. Policy and Foreign Assistance

Ethiopia's stability and prosperity have been key priorities for U.S. engagement given its size and susceptibility to food insecurity, and its position in a volatile but strategic region. The State Department describes Ethiopia as one of the most effective U.S. development partners, though concerns about restrictions on political and human rights have complicated diplomatic engagement and security cooperation, and led Congress to condition some aid.

Bilateral aid to Ethiopia, most of it for development, health, and food programs, totaled over \$900 million in FY2016 and almost \$750 million in FY2017. The Trump Administration's FY2019 request of \$227 million is, like the FY2018 request, significantly lower than prior aid requests. Health and education programs could face major cuts, as could agriculture and safety net programs. Humanitarian aid, allocated separately, totaled over \$480 million in both FY2017 and FY2018. Ethiopia continues to benefit from Feed the Future and Power Africa, which respectively fund agricultural development and energy projects. Some types of U.S. support, including for governance and security reforms, could expand under Abiy.

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