

A Note on the Economics Effects of Queen Sheba Schools on the Town of Adwa

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Based on artifacts and historical relics, the ancient town of Adwa can be defined as the cradle of African civilization. Available archaeological evidence clearly shows that the town of Adwa is one of the principle homes of the legend of Queen Sheba, mother of King Menelik I, the son of King Solomon (Abraham, 1996). The town of Adwa which is surrounded by sharp and crusty mountains is better known for the great Ethiopian tradition of heroism.

Designed according to the European colonial plan, based on the “Scramble for Africa of 1884-85,” the Italians like the British, French, German, and Portuguese, etc. were given an indication that in order to fulfill their economic appetite and satisfy their political ambitions, they ought to seek a colonial empire in the horn of Africa (see Kofi and Desta, 2008). To pursue their economic ambitions, though the Italian fighters were mechanically equipped and held a superior attitude, they presumed that Ethiopia was a slumbering nation that would not become involved in a well-organized resistance against the Italians. Surprisingly, as the Italian fighters engaged in the battle, they found that the bravery of the Ethiopian fighters was beyond their expectations. Not only did the Italian fighters encounter Ethiopian fighters led by highly disciplined nationalist fighters but they realized that the town of Adwa was shielded by the crusty mountains. Thus, in March 1896, history recorded the humiliation of the heavily equipped Italian aggressors when they encountered their defeat at the Battle of Adwa. Moreover, the Battle of Adwa signified a very devastating psychological defeat for the European colonizers whose superiority complex gave them the notion that they could traverse the African continent without confronting major resistance.

In addition, the victory at Adwa was seen not only as a victory for Ethiopians but also as a torch of pride and inspiration to millions of Africans residing under the colonial yoke in Africa and the African Diaspora. For example, the prominent black nationalist Marcus Garvey, originator of, “Afro-Centric Black to Africa movement in 1914 in Jamaica and in 1917 in Harlem, New York, heavily banked on the Battle of Adwa and energized his followers on Ethiopia’s victory over the Italian colonizers and “...immortalized his tribute to Ethiopian heroism by incorporating Ethiopia in his ‘African National Anthem’ which reads – Ethiopia thou land of our fathers... “ (cited by Abraham, 1996). Also, Wilson (2006) succinctly describes that for generations of Africans born after 1896 on the African continent and throughout the Diaspora, the battle of Adwa could be depicted as a spiritual victory for all black Africans

suffering under the yoke of enslavement and colonialism. In fact, Wilson goes one step further and argues that the Ethiopian victory against one of the European colonizers "... gave hope to the generation of those fighting against colonialism and for freedom in Africa, in the Caribbean, and the rest of the Third World. Adwa set the stage for the New Negro, Negritude, Pan African, and Black Power movements. In many respects, the spirit of Adwa contributed to the success of the American Civil Rights Movement" (Wilson, 2006, 10).

In 1942, one year after the Italian Fascists lost the Second World War and Ethiopia regained its independence, the Queen Sheba School was established by a highly seasoned and well versed teacher, Haleka Twelde-Medhin Gebru (Gorfu, 2007). Since the establishment of Queen Sheba, the school has succeeded not only in fulfilling its educational missions but also has helped in the upward mobility of its students. Through parent meetings, summer sessions, and workshops the school has provided a vital ground for socializing student movements and has become valuable for encouraging student agitation against any oppressions existing in the country. Prior to the early seventies the school produced graduates who became well-known and influential politicians, medical doctors, philosophers professors, lawyers , engineers, business people, teachers, poets, authors, entertainers, etc. (See Desta, 2011)

In their empirical research of a firm, or in this case a school, economists use the input-output (I-O) model to estimate what additional spending will create in the local area as well as the ripple effects such spending might have throughout the rest of the economy (Nagowski . M. Feb. 22, 2006). Measuring the economic impact of higher learning institutions is not simple because high schools, particularly in developing countries, may produce some spillover effects onto human capital, increasing workers' productivity and income in the region. In light of these challenges, economists have developed two approaches for estimating the impact of educational institutions. These are: 1) the economic base approach or direct effects; and 2) skills base or indirect approach such as human capital (skills) and technology-related productivity that could positively affect the regional economy (Nagowski. M. Feb. 22, 2006).

The economic base (explicit or direct) approach includes an increase or decrease in expenditures associated with the institution under consideration. In other words, the institution pays the costs of payroll, the purchasing of supplies and services, and construction outlays, and balances these expenditures with the income of out-of-region students and visitors, as well as in-kind and monetary donations..

The skills base (indirect and induced effects) approach supplements the direct approach by quantifying the impact the educational institution's output has in the long-run for a region's economy. In developing countries, high schools teaching skills create workers which may directly increase wage rates in a region. As stated by Nagowski (2006) higher wage rates can benefit a region's economy through increased tax revenue for the government, increased

consumption, and higher rates of saving and investment. Bluestone (1993) and Berger and Black (1993) argue that graduates who remain to work in the region can have positive economic effects because of the skills learned in school. Other research looked beyond the immediate effect of education on wages to consider less tangible results such as volunteer work in the surrounding communities (Institute for Higher educational Policy, 2005).

Until Adwa was designated a sub-district after 1992, the Queen Sheba School played a very important role in the development of the Adwa community. More specifically, since the early part of the 1970s, the Queen Sheba School has been operating a well-known high school in terms of the number of students who have passed the Eight Grade General Examination and the Twelfth Grade School Leaving Certificate Examination. To work in various schools a number of highly qualified teachers and staff member were assigned by the Ministry of Education. Queen Sheba School attracted a significant amount of human capital. Given that inflation in the country was very low, the income that the school employee spent on consumption and local taxes was an important economic driver for the Adwa community.

Because of the quality of teaching and learning at the Queen Sheba School, the school became a magnet, attracting students from Eritrea and other immediate areas which contributed to a short term gain in the capital of the Adwa community. The students were renting rooms, buying stationary, and spending on food, clothing, and other personal services and entertainment. But, since these students were transient and didn't stay in the Adwa community after graduation, their contribution should be viewed as having short term effects. On the other hand, the operations expenses spent on the maintenance of the facility produced beneficial economic effects on the town. The newly built facilities, such as classrooms, offices, and labs played a very important role in stimulating the local economy. With the passage of time however, it is now distressing to see that those classrooms and other school facilities are in a state of disrepair thereby making their long term economic effects negligible.

To summarize, from 1942 until the middle of the 1980s, the Queen Sheba School was a pillar of the education industry, offering tangible and intangible benefits as an economic driver of the Adwa community. The School had *direct effects* from the costs it incurred on the new buildings, capital improvements, spending on the salary of teachers, staff members and other expenditures for the enrolled students. Then, until the middle of the 1980s, the students coming to Adwa from the other neighborhoods and other administrative regions were spending on housing, food, supplies, entertainment, and other items and services contributing directly to the Adwa town economy. This resulted in a multiplied economic impact because of the Queen Sheba School's presence and its spending patterns. Some of the *indirect effects* of the school would be the paper and other school supplies bought by the school and the students from the local stores. In turn, the stationary store purchased its supplies from other related industries. The business volume generated by the Queen Sheba School generated jobs in a broad range of sectors.

Though very difficult to estimate, it is possible to assume that the paper, stationary, and ink firms, etc., also paid salaries to their employees. These companies and their employees probably paid taxes to the government. These kinds of economic impact on the Adwa community are known as *induced effects*. In aggregate terms, *induced effects* have *induced* changes in households and government spending.

Finally, the sum of direct economic impact (i.e., institutional spending, employee spending, student spending, etc.), indirect economic impact (the re-spending of *birr*) within the Adwa town, and the *induced effects* economic impact (tax revenues paid to the government by other establishments related to the Queen Sheba School), positively affect the school community. The effects are generally used to calculate the multipliers. The multiplier effect is the additional economic impact (stimulate) as a result of the Queen Sheba Schools direct economic impact. The multiplier captures economic impacts from direct, industry to industry transactions, household spending, and government spending. In short the multiplier is equal to *total effects/direct effect* (See for example, Schultz, T. (1962).

Currently, about 40 percent of Adwa town's residents are elementary and secondary school students. In spite of the educational quality, starting 1992, a number of schools have been built in the country. However, as succinctly described by Gorfu (2007), in Adwa, the students who have the luxury of attending classrooms are only the upper grades while first and second grade students actually take their classes in the open air and sit on little rocks and stones. As a result of the overflow of students, and the limited budget allotted to the schools within the Adwa community, students are basically housed in completely rundown and deteriorating classrooms. In addition, since the Ministry of Education has used the "school shift system" as a rationale to accommodate the students, the students attend only about three hours of instruction per day. The rest of the day, they are seen lining up in banks to see if their relatives residing abroad have sent them money. Others are found roaming around the city, with some indulging in various types of socially undesirable activities.

Except for the students attending the Teacher Training Institute, most of the students found in Adwa schools are from the town of Adwa proper. Given that the student population is about 40 percent of the town's residents, by design or default, Adwa now is a "school town." As a "school town," Adwa's social and economic life depends on the educational activities surrounding the town. Since there are few other employers, the school systems are the major employers in the town. The few businesses that do exist in the town cater their services to the schools. In short, the economy of the town is considered thoroughly intertwined with the schools' activities.

As it stands now, the Queen Sheba Schools have very few qualified teachers. Books are in disrepair. Few students pass the 12th grade exam. Those students from the vocational school

acquire productive jobs, not in Adwa but elsewhere. Given this sorry state, the “school town” of Adwa is hardly gaining economic effects from its schools. Even the rental income and other student expenditures which the Adwa community used to receive from the out-of-town students in the 1980s are unavailable now because a number of high schools have been built in their home districts.

As with all the transformations that have occurred in Adwa, and because Adwa is a “school town,” the education system needs to be redefined in order to revitalize the economic backbone of the Adwa community. Documenting local economic impacts (direct and indirect) and available skills would have illustrated to the Adwa community the economic benefits which would have come the Queen Sheba campuses. Given the empirical limitations of this study, it is adequate to say at this juncture that if the town of Adwa is expected to benefit from the school systems that are mushrooming all over the area, policy makers need to recognize that the high school students, in addition to their studies, need to be assigned to involvement in community activities. Actually, involving the students in an environmental type of experiential learning could be used as one of the basic requirements for graduation from elementary and secondary schools. In addition to skills development, internship, job placement, job creation, and support of entrepreneurship should be required for those graduating from vocational programs (See Desta, 2010).

Therefore, to accommodate the structural changes that are being manifested in the town of Adwa, among other things, the school curriculum needs to be redesigned to address these basic structural changes. Existing teachers need to be retrained and up-dated with current educational philosophies and instruction methods. Giving trainees the opportunity to hone their craft by serving in an apprenticeship program will energize them and thus their graduates to go on to become business entrepreneurs securing long term jobs in the now dead-end town of Adwa (See Desta, 2010). To reiterate, given Adwa’s heroic history of creativity and determination, the school systems in Adwa need to be restructured and the curriculum redesigned to make Adwa, once again, a vanguard of tourism and perhaps to be at the forefront new ideas like a greener frontier.

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