

YINGESELEY DAYE!

Because from Very begging he has realized that the "The main enemies of the people of Ethiopia are poverty and backwardness. The Government of the Federal Democratic Republic of Ethiopia has put in place a comprehensive programme of peace, democracy and development as cardinal elements of the development policy of the country aimed at eliminating these twin enemies. This is because we know, more than anything else, that from each and every peaceful day Ethiopia is a net beneficiary."¹

In the planet where we live, it is in everyone's interest that any society ideally meets the Good governance of *economic, social and political* achievements. However, some societies have difficulties achieving those conditions, despite their best effort to actively seek and work towards these goals. The main measures of achieving and failing depends up on the quality of Governments. Of course also the quality of People but in the democratic world there is no difference among people and self-governance. Because the government structures are inserted within the society from Kebele to Federal level process , like what is happening in Ethiopia for 35 years.

On the other hand, some societies have the capability and means to assist other because of their experience, working knowledge, as well as available resources. Therefore, a proactive effort to achieve such conditions should becomes prime vehicle for global cooperation. The objective of Good Governance in Sustainable Development Program is to assist societies to develop on effective government within a democratic system, and to implement sustainable development principles through global partnership.

Ethiopia through His leaders, who are based on democratic good governance (led by Prime Minister Meles Zenawi and His colueges), is dealing within the country –Ethiopia and passing border to Continental or International cooperation for the search for a good and peaceful governance of this planet. As a society has power and influence up on the following society, individuals also has power and influence either for bad or good up on

¹ Melesse ZENAWI, Prime Minister of Ethiopia. May 1998.

the followers through efficient communications and capacity or losing all. The one who wants to make on PM of Ethiopian leadership in His years and especially since 2005 democratic elections and following results of economic and social development as well as country defence power building capacity, really can wonder if only he has love of Ethiopia. The objectives of these and similar others are as follows:-

1. To enhance local implementation actions of the Rio Resolutions and Agenda 21 for real progress towards sustainable development

2. To assist societies to develop an effective government within a democratic system and to implement sustainable development principles through global partnerships by way of:

- Empowering the public to enable them to effectively participate in decision making for public interest and to undertake local initiatives;

- Developing and strengthening good governance at the local level;

- Developing the capacity of public and the government at the local level to cooperate in increasing welfare of the people.

Unique among African countries, the ancient Ethiopian monarchy maintained its freedom from colonial rule with the exception of the 1936-41 Italian occupation during World War II. In 1974, a military junta, the Derg, deposed Emperor Haile Selassie (who had ruled since 1930-1974)² and established a socialist state. Torn by bloody coups, uprisings, wide-scale drought, and massive refugee problems, the regime was finally toppled in 1991 by a coalition of rebel forces, the Ethiopian People's Revolutionary Democratic Front (EPRDF).

Ethiopia is the cradle of an ancient civilization that adopted Christianity in the 4th century. Located in northeast Africa it has a population of over 80 million and covers an area of almost 429 square miles. Ethiopia is mountainous with desert lowlands to the northeast and southeast and has been landlocked since Eritrea, bordering the Red Sea, gained its independence in 1993. Ethiopia is an independent Federal Democratic Republic with a President as head of state and a Prime Minister as the head of government. The constitution was established in 1994, following the over-throw of the Mengistu military

² Notice Emperor Hailesilassie ruled for 44 years and Mengistu for 17 years with such political situations. When Meles leads the country with extraordinary development and capacity to create western world computing democratic model for the country-WHAT IS THE PROBLEM FOR VOA & OTHERS?

dictatorship in 1991.³ Interesting facts on Ethiopia, its cities, peoples, culture, history, languages, climate, currency, different times, in fact everything Ethiopia. Ethiopia is one of the few African countries never to lose its independence.

A constitution was adopted in 1994, and Ethiopia's first multiparty elections were held in 1995. A border war with Eritrea late in the 1990s ended with a peace treaty in December 2000. The Eritrea-Ethiopia Border Commission in November 2007 remotely demarcated the border by geographical coordinates, but final demarcation of the boundary on the ground is currently on hold because of Ethiopian objections to an international commission's finding requiring it to surrender territory considered sensitive to Ethiopia. Some limited mass media's Agencies or individuals should not create problem for our Ethiopian people who live together with in diversity in unity: without clash of religious differences, without social differences and egoistic mentality, with good hospitality and loving each other and so on. They should not create problem for the extraordinary activist farmers who are living from their field production and motivated for their development with relevant under the policy of EPRDF government.

Long term weaknesses of the regime included a growing agrarian crisis, inequitable distribution of land, and lack of development. More immediately, the costs of the revolt in Eritrea after 1961, drought and famine in Wallo in 1972-74 (in which 200,000 people died), and, by 1973, Haile Selassie 's own near senility and his failure to designate an heir, fuelled the grievances of the military, students and workers. A series of army mutinies, started in January 1974, accompanied paralleled civilian strikes. Attempts at reform by a new Prime Minister made little progress, and from June a coordinating committee of the armed forces began to arrest leading officials. Haile Selassie was deposed in September, and was murdered the following year. His remains were finally reburied in Trinity Cathedral in November 2001, with the presence of many of the exiled royal family. The monarchy was formally abolished in March 1975.

Under the influence of left-wing politicians, the Provisional Military Administrative Council (PMAC), which replaced the Imperial regime, began to see itself as the vanguard of Ethiopian revolution. In December 1974, Ethiopia was declared a Socialist state, and a program of revolutionary reforms called Ethiopia Tikdem ('Ethiopia First') was initiated. In April 1976, the Derg set forth its goals in greater detail in the program for the National Democratic Revolution (PNDR). As announced by the leaders, these objectives included

³ Notice! When and how was this became known to the world? It is when "EPRDF" came to power in Ethiopia and through mother land interest and investigation of the real history.

progress toward Socialism under the leadership of workers, peasants, the petite bourgeoisie, and all anti-feudal and anti-imperialist forces. The Derg's ultimate aim was the creation of a one party system.

Soon after taking power, the Derg promoted Ye-Etiopia Hibrte-sebeawinet (Ethiopian Socialism). The concept was embodied in slogans such as "self-reliance," "the dignity of labour" and "the supremacy of the common good." These slogans were devised to combat the wide spread disdain of mutual labour and a deeply rooted concern with status.

Although the government took a radical approach to land reform, it exercised some caution with respect to the industrial and commercial sectors .In January and February 1975, the Derg nationalized all Banks and Insurance firms and seized control of practically every important company in the country. In February 1977, Mengistu declared himself as Derg's chairman and set about consolidating his power. However, several internal and external challenges prevented Mengistu from doing this. Various insurgent groups posed the most serious threat to the Derg. In February 1977, a terrorist attack known as the White Terror had been initiated against Derg members and their supporters. This violence provoked a government's counteraction-the Red Terror. During the Red Terror, which lasted until late 1978, government security forces systematically hunted down and killed suspected members and supporters of opposition groups. Mengistu and the Derg eventually won the struggle.

Despite strengthening its power, Derg couldn't stand the activities of insurgencies which appeared in various parts of the country ,the most important of which were in Eritrea and Tigray. The Derg decided to impose a military settlement on the Eritrean Liberation Front (ELF) and the Eritrean People's Liberation Front (EPLF). Attempts to invade rebel-held Eritrea failed repeatedly, and the insurgent groups controlled most of the country. Despite large commitments of arms and training from Communist countries, the Derg failed to suppress the opposition. Derg was able to intimidate and create disarray within the civilian opposition by detaining many leaders of labour, teacher and student groups because of their agitation against the military rule. The Derg's hand against the opposition was strengthened resulting to an escalated struggle for freedom and democracy. As a result of these enhanced struggles, the regime was overthrown after 17 years of dictatorial rule, by the coalition Ethiopian People's Revolutionary Democratic Front (EPRDF)on May 1991.

EPRDF-has got gate to Ethiopian new mode of civilization and “Renaissance”- for the long history suffered nation - - - Because of this and that : Yingeselei Daye!!!

A federation comprising nine-states with considerable autonomy were established and the first multiparty elections were held in 1995. The distinct regional states are 9 regional linguistic-based states(Killils) and 2 self-governing administrations: Addis Ababa), Afar, Amara (Amhara), Benishangul Gumuz, Dire Dawa, Gambella Hizboch, Harari People, Oromia, Somali, Tigray, Southern Nations, Nationalities and Peoples).

Therefore, Ethiopia has embarked upon what it claims to be a novel experiment in 'ethnic federalism'. The ruling Ethiopian Peoples' Revolutionary Democratic Front has asserted that it is intent on forthrightly addressing the claims of ethnic groups in the country of historic discrimination and inequality, and to build a multi ethnic democracy. The essay critically assesses this effort, concentrating on the emerging relations between the federal and regional state governments. Particular attention is given to the strategy of revenue sharing as a mechanism for addressing regional inequities. Where appropriate, comparisons are made with the federal system in Nigeria, Africa's most well-known federal system. The article concludes that, while there may be federal features and institutions normally found in democracies, Ethiopia has not constructed a system of democratic federalism. Moreover, rather than empowering citizens at the grassroots level, Ethiopia tightly controls development and politics through regional state governments, with very little popular decision making in the development process.

Ethiopia's poverty-stricken economy is based on agriculture, accounting for almost half of GDP, 60% of exports, and 80% of total employment. The agricultural sector suffers from frequent drought and poor cultivation practices. Coffee is critical to the Ethiopian economy with exports of some \$350 million in 2006, but historically low prices have seen many farmers switching to Chat to supplement income. The war with Eritrea in 1998-2000 and recurrent drought have buffeted the economy, in particular coffee production. In November 2001, Ethiopia qualified for debt relief from the Highly Indebted Poor Countries (HIPC) initiative, and in December 2005 the IMF voted to forgive Ethiopia's debt to the body.

Under Ethiopia's constitution, the state owns all land and provides long-term leases to the tenants; the system continues to hamper growth in the industrial sector as entrepreneurs are unable to use land as collateral for loans. Drought struck again late in 2002, leading to a 3.3% decline in GDP in 2003. Normal weather patterns helped

agricultural and GDP growth recover during 2004. First time in those passed governance history the GDP reached \$56.05 billion (2007 est.) and now more and more continuously. Therefore, for these unique and historical nation has facing many terrorism action internally and externally. I would like to contribute from my side not by gun but by pen to fight any terror action can be happen to my beloved mother land ETHIOPIA.

Economically seen, the agricultural sector, consisting mostly of small privately owned farms, accounts for about half of the country's GDP, 80% of its exports, and 85% of total employment. Agri-processing, manufacturing and service industries are, however, all growing in importance. Ethiopia also has potential as a base for exporters, with flows of goods both into the Middle East and into other parts of Africa increasing significantly in recent years. Recent analysis by UNCTAD has shown that Africa as a whole has become a profitable region for foreign direct investment (FDI), delivering significantly higher returns on investment than other developing regions in the world for US corporations.

The main business sectors in which Ethiopia is seeking foreign investment are:

1. manufacturing industries (including food, beverages, chemicals and pharmaceuticals, plastics, metallic and non-metallic products, paper products, leather and leather products, textiles and garments);
2. agriculture, including agri-business and processing for exports;
3. real estate development;
4. education and health services;
5. grade 1 construction contracting;
6. mining and quarrying of gold, marble and granite; and
7. engineering and management consultancy.

The government is keen to develop and broaden this foreign investment base and the rest of this guide provides an overview of investment opportunities, current economic conditions and the steps required to make an investment in Ethiopia. Ethiopia's comparative advantage lies primarily in its abundant, low-cost, disciplined and trainable labour force, the size of its domestic market, and the numerous river basins affording great potential for irrigation and hydropower generation. Key opportunities for potential investors exist in the following areas:

1. state privatisation programmes;
2. agriculture;
3. agri-businesses and processing;
4. mining and resource development;
5. infrastructure development;
6. manufacturing; and
7. tourism.

PRIVATISATION

The Government initiated a privatisation programme in 1995/96. So far over 170 enterprises and units have been privatised. Most of the smaller enterprises and units were sold to domestic investors, whilst a number of the larger enterprises have been acquired by foreign investors. These include a gold mine, Coca-Cola and Pepsi Cola bottling companies, a brewery, meat processing and canning plants, and a tannery. Over the coming three years the Government plans to privatise a further 120 enterprises. Most of these enterprises are large and the government is keen to encourage further participation by foreign investors in the privatisation programme.

AGRICULTURE

Ethiopia is endowed with abundant agricultural resources. It is characterised by diverse physical features that allow the country to be divided into 18 major agro-ecological zones and 62 sub-zones each with its own physical and biological potential. Given this diversity, there are major agricultural investment opportunities in the cultivation of cash crops and horticultural products.

CASH CROPS

Coffee, cotton, tea, sugar, spices, oil seeds and tobacco are among the major commercial crops grown in Ethiopia and provide significant opportunities for investment. Ethiopia produces some of the best coffee in the world: the sector involves almost a quarter of the population and is the single most important foreign-exchange earner for the economy. Ethiopia also grows cotton in large-scale irrigated farms and in small-scale operations. Cotton production is well integrated into the rest of the economy with a large number of textile and garment factories relying on domestically produced cotton. Cotton is also currently exported in small quantities. Tea is another product with significant investment potential. Ethiopia produces good-quality tea but not currently in large quantities. Interest in and demand for Ethiopian tea is growing rapidly in North America.

HORTICULTURE

Ethiopia's climate and proximity to Saudi Arabia and to Europe and other markets provide opportunities for investment in cut flowers and high-value fruit and vegetable production. A number of cut flower and horticultural enterprises have started exporting successfully over the past few years.

IRRIGATED AGRICULTURE

Irrigated agriculture is an area of investment potential as the country has abundant water resources. There are nine major river basins and a significant number of large lakes in the Rift Valley. Based on present information, the total potentially irrigable land in Ethiopia is about 3.5 million hectares. To date, only about 160,000 hectares (some 4% of the potentially irrigable land) have been developed (*Source: Ministry of Planning and Economic Development, Government of Ethiopia, 1993*).

LIVESTOCK

Ethiopia has a long tradition in processing and exporting leather and leather products. It has the largest cattle population in Africa and the tenth largest in the world. It has a proven export potential for live animals and livestock products. Private investors are encouraged to participate in commercial breeding as well as the production of meat, milk, eggs and animal feed, and the manufacture of leather products.

FISHING

Ethiopia's extensive inland rivers and lakes contain substantial proven reserves of fish and other aquatic resources. The potential annual fresh-water fish production is estimated at about 45,000 tons, of which only 20% are exploited at present. Foreign investment is required to participate in the development of the sector by installing fishing equipment, cold storage and transport facilities, and processing capacities. (!!!We will produce fish in certain percent even in iorb Wereda in Asabole Dam!!!)⁴

APICULTURE

Ethiopia is the largest honey-producing country in Africa and the fourth-largest beeswax-producing country in the world. There are around 10 million bee colonies and over 800 honey source plants in the country. The annual honey and beeswax production is estimated at 25,000 tons and 3,200 tons respectively. This area of agricultural activity is currently underdeveloped and has the potential for commercial exploitation, including exports in the region, especially to the Middle Eastern market.

FORESTRY

Undertaking a sound forest development programme, with the participation of private investors, has become imperative to reverse previous deforestation. Potential activities for private investors in commercial forestry include the production and marketing of gum and incense, large-scale plantations for timber, the establishment of integrated forest-based industries such as pulp and paper and chipboard, and the establishment of rubber plantations.

AGRI-BUSINESS

Agricultural development is the top priority of the Government and the country has witnessed sizeable growth in agricultural productivity over the last two to three years. With increasing commercialization of the sector, there are growing demands for inputs of agricultural products by manufacturing industries and for the provision of all-round support services such as the maintenance of tractors, harvesters and other agricultural equipment such as grain silos, cold storage and transport. The Agricultural-Development-Led Industrialization (ADLI) strategy adopted by the government facilitates the incentive structure needed to promote foreign investment in agri-business.

FOOD PROCESSING

Given the primary focus of the Ethiopian economy on agriculture, the diversity of crops and agricultural products, increasing agricultural productivity and a domestic market of about 60 million people, processing offers large-scale investment opportunities.

⁴ Assabole dam is constructed in Irob Wereda because of the great effort of The catholic Church and good governance of EPRDF regional government , under the SAERT Commission, which have changed the Tigray agricultural sectors in certain years in high degree and the good governance either to help you or to let you freely to do such kind of effective projects and micro projects by NGOs. (ADDA project, Report, 2000E.C.).

MINING

Geological studies have identified a favourable geological environment hosting a wide variety of mineral resources. Initial explorations have confirmed the existence of deposits of gold, platinum, tantalite, soda ash and phosphate rock. Petroleum and other metallic, industrial and chemical minerals have also been identified. Despite these discoveries, mineral development remains limited, contributing only 1% to the national economy. Steps have been taken to improve the situation, including the creation of an environment conducive to private, local and foreign investment. While there is no restriction on private investors in developing any type of mineral resource, the greatest potential is in gold and rare metals, petroleum, precious and base metals, industrial minerals and dimension stones (marble and granite). Prospecting, exploration and mining licenses have been issued to foreign mining companies from the United States, Canada, Italy and Saudi Arabia. A Saudi company has acquired, through the privatisation programme, the only primary gold mine in the country.

POWER

The potential of Ethiopia's renewable and non-renewable energy resources is vast. Currently, less than 4% of the population is supplied with electricity. From this low base, domestic demand for electricity is growing on average at 10% per year. With a view to expanding energy supply, the government has recently revised the legal and regulatory framework for power generation, transmission and distribution, and foreign investors are now particularly sought to set up hydroelectric power plants. Arrangements may be made with the Ethiopian Electric Power Corporation (EEPCO) for bulk sales of electric power for transmission and distribution. EEPCO currently operates two large-scale (100 MW and over) and a number of small-scale hydroelectric power plants and supplies power mainly through an interconnected system of transmission lines (230 kV, 132 kV, and 66 kV) and distribution networks (15 kV, 380 V and 220 V).

TELECOMMUNICATIONS

The telephone density in Ethiopia per head of population is among the lowest in the world, with less than 1% of the population having access to a telephone. Recognising that the development of an extensive network of telecommunication services is imperative, the government has now liberalised the sector, allowing foreign investors to participate in telecom activities jointly with the government. The Ethiopian Telecommunications Agency is entrusted with the task of regulating the sector. Opportunities exist in expanding and upgrading central exchanges (mostly digital) and transmission networks (currently relying on microwave and satellite links) as well as in providing wired and wireless access to the highly scattered Ethiopian towns and communities. A mobile system has recently been introduced in Addis Ababa.

Health and Education

Health and education offer good potential for foreign investment. Foreign investors from the Middle East and the United States are setting up a university, following American curricula, jointly with Ethiopian investors. A Saudi investor is providing a modern hospital and clinic in Addis Ababa. The government has committed itself to addressing the

prevailing health problems in the country by formulating a 20-year health development strategy which will be implemented through a series of five-year programmes.

Manufacturing

The manufacturing sector currently constitutes only a small portion of the economy, contributing about 6.5% of GDP (*Source: Ministry of Economic Development & Planning, Government of Ethiopia*). Light manufacturing and agro-processing dominate with food, beverage and tobacco processing industries being the most prominent groups in terms of gross value of production. Between 1992 and 1998, a total of 66 new (foreign) industrial projects were approved and supported by the EIA. At least 10 of these projects, including a tannery, a soap manufacturing factory, a brewery, a bottling factory, a plastic packaging plant and an incandescent lamp factory, have already started production. High labour content activities such as electronic assembly and low-cost, low-value consumer goods (toys, basic appliances, garments, footwear, etc.) have long been the staple of low-wage developing countries. The macroeconomic environment, including the exchange rate regime, adds to Ethiopia's competitiveness in these products.

Tourism

The unique mix of natural, historical, cultural, archaeological and anthropological attractions marks out Ethiopia as potentially a key tourist destination in Africa. With the liberalisation of the economy, tourism is now growing steadily. Tourist arrivals in 1997 numbered 115,000. Although the stock of hotel rooms in the country and the number of travel agencies and tour operators have also increased over the last few years, there is still a general lack of tourist infrastructure. Foreign investors are thus required for the expansion of the tourist infrastructure in the most important tourist destinations, which include the northern historic route, the Rift Valley, Omo National Park, Harar and the northern mountains.

EDUCATION

Finally the Prime Minister has realized by now to give more priority for education which is base of all infrastructures and development strategies. Ethiopia's education programme aims to improve the quality of, and accessibility to, education to enable Ethiopians to gain practical skills that will advance sustainable development within Ethiopia. VSOE is supporting the government's decentralisation of education administration, management and planning to the regional education bureaus and institutions.

Ethiopian Government from very beginning and now in the eve of 35st anniversary of TPLF, the party which led the country in to development and democracy's birth day, has realizing that the higher education is crucial for the production of vital human resources, such as teachers, healthcare professionals, lawyers, engineers, managers, businessmen, and researchers critical for socio-economic development of a nation. Furthermore, higher education is a centre for knowledge and skills creation, adaptation and dissemination. It also plays a significant role in providing relevant and quality community and public services. Higher education is therefore critical for economic progress, political stability and peace, as well as building democratic culture and cohesive societies.

CONCLUSION

Ethiopian Government Commitment for sustainable development of the country and for Africa has gained extra-ordinary observations. This cannot be denied. There has been a major positive change over the past six or seven years in the government's attitude towards private investment in general and foreign investment in particular. The government recognises the vital role foreign investment can play in the national economic development process, especially by bringing capital, technology and know-how into the country and by strengthening linkages and promoting regional development. The Ethiopian Investment Authority (EIA) has been established to provide a one-stop shop to facilitate entry of foreign investors. In order to encourage, promote and expand foreign investment, the Ethiopian Government has also undertaken a wide range of economic reform programmes with two main agendas – to shift from a command to a market economy and progressively to place the Ethiopian economy under the rigorous discipline of international competition.

The government of Ethiopia has made poverty alleviation and its ultimate eradication the centerpiece of its development strategy and it has continued to advance the reform of government structure, functions and finances. Of the many important economic and social growth initiatives of the government of Ethiopia, perhaps one that holds great promise and possibility of large scale and sustainable returns, despite many daunting difficulties, is the effective expansion of quality higher education in the country. The impact of higher education encompasses not only the economic sector, but also will produce greater social impact contributing to a just, democratic, peaceful and enlightened society.

Visionary, practical and relevant national policies, including those related to higher education; have been and continue to be developed based on the government's vision in transforming the economy, reducing poverty and improving the livelihood of the population. Higher education policies may be initiated mainly by the government, as is the case in Ethiopia. However, issues and challenges raised by the implementing higher education institutions, studies conducted by professionals and academic staff and students, as well as reports of institutional leaders and managers have to be essentially used as basis. Government leadership in designing, initiating, pursuing and following the implementation of policies and strategies for expansion and reform in Ethiopian higher education has been found to be the key to the success of many of the initiatives.

EVALUATION BY NON POLITICAL (NGOs)

A. Hagos Woldu Tesfay

hagsow@yahoo.com