

## ETHIOPIA | Trends in Conflict and Cooperation

### SECURITY

In the period under review the internal and border security of Ethiopia deteriorated. Armed Ethiopian opposition movements intensified their attacks within Ethiopia. In early March, the Afar Revolutionary Democratic Unity Front (ARDUF) abducted five Britons and eight Ethiopians on a visit to the northern part of the Afar Region close to the Eritrean border. The British citizens were released on 12 March and the Ethiopians on 23 April. Ethiopia dismissed ARDUF's claim of responsibility for the action and put the blame on Eritrea. According to local sources, the kidnappers were local Afar rebels dressed in Eritrean military uniforms. Eritrea denied any involvement. It is highly unlikely that their forces could mount operations from their Eritrean rear bases inside Ethiopia without the knowledge, consent, and support of the Eritrean government.

On 15 March, the Tigray People's Democratic Movement (TPDM) and the Southern Ethiopian Peoples' Front for Justice and Equality (SEFJE) claimed to have carried out a joint operation against the Ethiopian army in the Humera District of western Tigray on 8 March, in which 193 soldiers were killed and some 100 others wounded.

In early April, the Oromo Liberation Front (OLF) assumed responsibility for a military operation on 29 March in the Horo Gudru Zone of western Oromiya, in which 3 Ethiopian soldiers were killed. On 3 April, regional authorities reported that the Ethiopian army had intercepted a group of armed fighters from the Ethiopian People's Patriotic Front (EPPF) in Armacho, in the north Gondar Zone of the Amhara Region. They allegedly had infiltrated the area coming via Sudan from Eritrea. The sources say that 23 infiltrators were killed, 18 captured, and 112 voluntarily surrendered.

On 24 April, the Ogaden National Liberation Front (ONLF) mounted a major military operation against civilian and military installations at the Abole oilfield (120 km from Jijiga) in the Degehabur District of the Somali Region. An attacking force of over 200 overwhelmed the 100 Ethiopian soldiers guarding the oilfield. Nine Chinese workers and 68 Ethiopians were killed. As they retreated, the attackers abducted seven Chinese and a number of Ethiopians. On 25 April, the Somali Regional State Police Commission announced the detention of four suspects. On 29 April, the ONLF handed over the abducted Chinese, one Ethiopian, and one other African to the ICRC after the Ethiopian government had agreed to a truce with the ONLF in order to facilitate the efforts of Somali elders towards the release of the captives.

In the second week of April, a resource dispute over land erupted in the Bench Maji zone of the southern Ethiopian region between southern Sudanese (having crossed into Ethiopia to start cultivation there) and Ethiopian farmers defending their land. The encounter resulted in 13 people from both sides being killed. On 11 April, about 100 armed Sudanese Murle attackers crossed into Gambella and attacked the Angela Peasant Association in the Jor District – 26 Anuak were killed, about 500 people were displaced, large herds of cattle raided and over 200 houses burnt down.

### POLITICAL

In the period under review, the EPRDF continued to face a serious lack of legitimacy and democratic credibility in the eyes of large sections of the public, especially in Addis Ababa. The political issues resulting from the post-electoral crisis of 2005 between the government and the opposition and a large section of the urban public are still unresolved.

The trials of the defendants accused of genocide, high treason and other crimes against the constitution and the state continued but a considerable number of them were acquitted or saw the charges against them reduced. On 9 April, the court acquitted eight journalists and 17 members of the Coalition for Unity and Democracy (CUD) because the prosecution had been unable to prove its charges on counts of attempted genocide and high treason. With the exception of three, all of the remaining defendants have refused to defend themselves claiming that the charges are politically motivated and that they have no faith in receiving a fair and just trial by the court. The opposition inside and outside Ethiopia but also international Human Rights organizations continue to consider the trials to be illegal and based on fabricated charges with no evidence. They thus demand that all the accusations against the opposition leaders be dropped.

On 12 April, the House of People's Representatives ratified the report of the Inquiry Commission on post-electoral violence. The report was submitted in October 2006 after the approval of the Minister President of the EPRDF. The opposition, however, rejected it for lacking reliability and conformity with the constitution.

### ECONOMIC

During the months of March and April, the overall economic performance remained positive confirming the forecast for the fiscal year 2006-2007, which predicted a real GDP growth of 11%. This positive development was marred by persisting high inflation, which soared in March to 15% for most items and even up to 20% for food products. The inflation and especially the hike in food prices had a noticeably negative effect on the purchasing power, not only on poorer households but also on the urban population living on fixed salaries. This has resulted in mounting criticism from the general public in Addis Ababa and the opposition, which are accusing the government of having failed to timely design and implement effective and credible inflation stabilization policies.

The IMF contended that the root cause of inflation was excessive public spending and therefore has advocated a reduction of public expenditure as the most effective anti-inflationary measure. The government, in turn, rejected this approach asserting that the high inflation was driven by the rising demand for various goods. It referred to the current economic boom, which outstrips the supply capacities of the local industry and importers because of market inadequacies. Another factor responsible for the high inflation, according to the government, were usurious practices (hoarding, unjustified price hikes) of the private trade sector. To bring inflation and especially the soaring food prices under control, the government opted for corrective measures and introduced at the end of March grain subsidies for poorer urban households. Opposition parties, however, doubted the government's explanation for inflation and claimed that the real problem is caused by a wrong economic policy that favors unequal distribution of wealth generated from the economic growth. They argued that grain subsidy is not a solution to inflation. Despite criticism from the IMF and the opposition, the government began to implement its scheme by selling subsidized grain to poor urban households. On 10 April, it introduced a 10%-surtax on specified and mainly imported luxury items in order to finance the grain subsidies. However, this only exacerbated the situation further. In a press conference on 24 April, Prime Minister Meles Zenawi admitted to this being a problem and advised the private trade sector to use the introduction of the surtax as an excuse for unjustified price hikes.

## INTERNATIONAL

Ethiopia's relations with most of its neighbors, the wider international community and multilateral donors remained stable and positive. Ethiopia continued to be a privileged partner of the USA and the EU in the Horn of Africa Region and a recipient of substantial aid from bilateral and multilateral donors and international NGOs.

At the same time, its relationship with Eritrea deteriorated further. Ethiopia accused Eritrea of fighting a proxy war against them by arming and supporting Ethiopian opposition movements and encouraging them to step up attacks within Ethiopia. On 23 March, the Ethiopian government informed UNMEE that Eritrea had recently moved additional heavy artillery into the Temporary Security Zone and deployed additional troops and artillery to Shiraro and Humera in western Tigray.

Despite the intention of the Ethiopian government to withdraw its military forces from Somalia as soon as possible, the deteriorating security situation in Mogadishu and the delays in the arrival of the AU peacekeeping troops forced it to maintain and even to strengthen its own military presence in Somalia. At the end of March and again in the second half of April, joint forces of Ethiopia and Somalia's TFG mounted a major offensive in Mogadishu against urban insurgents. The two rounds of fighting devastated large parts of northern Mogadishu, forced 80,000 - 300,000 residents to flee the embattled city, and resulted in several thousand persons killed and wounded, mainly civilians. The TFG and Ethiopia claimed that about 1,000 insurgents were killed – the majority affiliated with the Islamic al-Shabab militia but also with the Hawiye clan militias. The losses of Ethiopian and TFG forces are not known.

At the end of the reporting period, Ethiopia is still detaining 41 suspected terrorists from 17 countries, who had been transferred from Kenya to Somalia and then to Ethiopia. It upholds the action as being part of the international war on terror.

## OUTLOOK

It is to be expected also in the near future that the internal and border security of Ethiopia will remain fragile. The intransigent Ethiopian armed opposition, which currently will not be satisfied with anything less than the overthrow of the ruling party, will continue and even intensify its armed attacks within Ethiopia. It will continue to benefit from Eritrean support. However, even with increased Eritrean support, the armed Ethiopian insurgents will not pose a serious threat to the survival of the Ethiopian government in the immediate future.

Ethiopian withdrawal from Somalia will continue to be postponed due to further delays in the dispatch of AU peace forces. In the immediate future, the level of fighting in Somalia, however, is likely to decline because insurgents will need some time to reorganize and re-arm themselves.

Internally, the ruling party will continue to experience problems of legitimacy and be rejected by a large section of the population. The legal opposition parties will continue to be wracked by internal dissent and disunity among themselves and thus not pose a serious threat to the ruling party. The ruling party, on the other hand, will continue to try to improve its image with the urban population through dialog. It is not expected that this will significantly contribute to reducing hostility in large sectors of the urban population towards the EPRDF. If inflation cannot be brought under control, urban riots of disgruntled consumers cannot be excluded. While such riots might easily become politicized, it is expected that the security organs of the government are still sufficiently loyal and organized to bring such riots under control again, if they were to occur.

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FAST International is the early warning program of swisspeace, covering 25 countries/regions in Africa, Asia and Europe. Based in Bern, Switzerland, the program is funded and utilized by an international consortium of development agencies, including the Austrian Development Agency (ADA), the Canadian International Development Agency (CIDA), the Swedish International Development Cooperation Agency (Sida) and the Swiss Agency for Development and Cooperation (SDC).

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