

## As Ethiopia works towards becoming a middle income country, can it tackle growing inequality?

*LSE alumnus Bashir Ali reflects on the contrast between the economic miracle and growing inequality in Ethiopia.*

Late last summer having handed in my graduate thesis, I boarded an Ethiopian Airlines Dreamliner Boeing 787 from Heathrow, planning to stay in Addis Ababa in transit for a few days. I was excited to visit one of the oldest nations in the world with its emperors tracing their roots back to the Queen of Sheba and King Solomon. Halfway through the flight, although sleep deprived and suffering from an incessant fear of flying, it dawned on me just how proud the Ethiopian Airlines cabin crew was of their roots. The pilots proudly and unapologetically gave every flight announcement in Amharic and the hostesses all wore the traditional, white Ethiopian dress. This brief insight was a harbinger of things to come, a window into a historic country, a culture defined by its past while grappling with its desire to cross the Rubicon, to modernise. This experience of the old and the new dovetailing came to life again as the Dreamliner made its dawn descent into the modern, Bole International Airport. The misty Addis Ababa morning opened up before us and shared its secrets, row upon row of ceramic, red-hued roofs, sprawling highways and corporate skyscrapers shadowed by the ancient and indomitable Ethiopian highlands in the background.



I took a taxi from the airport, through downtown Addis Ababa which was exceedingly busy and it struck me then; this was a city defined by urgency, a distinct restlessness. An urgency borne out of Ethiopia's raging desire to become a middle income country by 2025 and with its annual double-digit GDP economic growth, an objective it can meet. Moreover, many are surprised to learn that Ethiopia has consistently had one of the fastest rates of GDP economic growth in the past 10 years, higher than both China and India. A miracle considering this was a country at the mercy of conflict and famine just 25 years ago and at the centre of worldwide attention, characterised by patronising pop songs asking if "they knew it was Christmas". Yet, on this leafy August afternoon, there were construction works every 100 yards, cranes littered the skyline and the Chinese-funded Ethiopian Metro in the final stage of construction at that time, snaked through the city, signifying Ethiopia's promise, its ambition. An ambition defined by its ideology of "state-led capitalism" as espoused by the ruling Ethiopian People's Revolutionary Democratic Front (EPRDF) 23 years ago. This ideology was crafted by its late and authoritative Prime Minister Meles Zenawi, the architect of modern Ethiopia and the West's former darling of Africa, as proven by his controversial

role in their proxy “War on Terror” wherein his troops invaded Somalia and committed abuses in 2006-07. In Addis Ababa, it is next to impossible to avoid his cold glare, mainly because his portrait can be found on billboards, public buildings, buses and even in quaint coffee kiosks on the city’s side roads. This enduring legacy was fostered during his student years of exile with the Marxist-Leninist Tigrayan People’s Liberation Front and Eritrean People’s Liberation Front, the latter fighting their own guerrilla, secessionist war with the brutal Derg regime at the time. Following their victory in 1991, the EPRDF set in motion far-reaching economic reforms aiming to transform this stagnant, famine-stricken nation into a “developmental state” and an African powerhouse while maintaining a brutal, iron grip on power.

The irony of this Machiavellian trade-off has not been lost on observers, a trade-off where Ethiopians expect a better future in exchange for their tactic submission and conformity. Speaking to people in Addis’ coffee houses, it became clear how proud many were of this bold, new Ethiopia as exemplified by [Ethiopian Airlines’ fleet of Dreamliners](#) or the monumental, [Grand Renaissance Dam](#) project which aims to power all of Ethiopia and East Africa. Yet, scratch the surface enough and it becomes apparent how this is a country suffering growing pains, with a population dissatisfied with such a detached, harsh government.

Some may say this is summed up by the quintessential question of how much liberty a people should forfeit in exchange for prosperity. Yet even in Addis Ababa, this so-called prosperity is a subjective concept in a city of chronic inequality, where you will see a Mercedes parked next to a mule cart or a five star hotel with homeless, hungry children sleeping against its 20-foot-high walls. Inequality is not the only ticking time-bomb threatening Ethiopia’s brave, new world, there is also the pressing issue of youth unemployment in a country where 70% of the 90 million inhabitants are under 25. The unemployment rate among the young is staggeringly high and these disenfranchised young people were easy to spot throughout Addis Ababa, hanging out aimlessly in the malls or groups of young men playing football under the highway overpasses. Sadly for them, like most African capitals, Ethiopia’s capital is blighted by elitism, where aged men from the diaspora in suits and brand new 4x4s prosper with their Western-educated offspring benefiting exclusively from this trickle down privilege. It goes without saying that for Ethiopia to truly benefit from its formidable economic growth, it will have to achieve considerable levels of human development for its populace and above all its future generations.

As the Ethiopian Airlines flight took off en route to my final destination, de facto Somaliland, I looked down on Addis Ababa, this city, this country of antiquity, of many contradictions and of burning potential.

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**The views expressed in this post are those of the author and in no way reflect those of the Africa at LSE blog or the London School of Economics and Political Science.**

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