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DESTINY ETHIOPIA:

FOUR
SCENARIOS
OF POSSIBLE
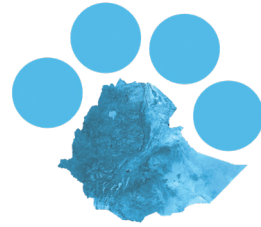# FUTURES

NOVEMBER 2019

Destiny Ethiopia Initiative is an indigenous response to the current political circumstances in Ethiopia. The initiative is led by Destiny Ethiopia Team – comprising nine concerned Ethiopian nationals from diverse walks of life, political perspectives, ethnic groups, faith and professional backgrounds.

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SCENARIOS

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NOVEMBER 2019

2012

Conception of the idea .... July 7, 2012

2017

Conversation with Reos Partners initiated .... August 30, 2017

2018

Commencement of Core Team recruitment .... April 10, 2018

Strategic meeting with Reos Partners at Antwerp, Belgium .... July 4, 2018

Groundbreaking meeting with a senior government official .... September 28, 2018

First Core Team meeting .... December 17, 2018

2019

Date	Event
December 3, 2019	Grand launch of the scenarios
October 2, 2019	Third Scenario Workshop at Kuriftu Resort, Bishoftu
September 9, 2019	Inter-sessional Scenario Enriching Workshop
June 29, 2019	Second Scenario Workshop at Kuriftu Resort, Bishoftu
June 17, 2019	First Scenario Workshop at Haile Resort, Arbaminch
May 10, 2019	Orientation session for ST members
May 10, 2019	Destiny Ethiopia signed contract with FoF and project is officially launched

ACKNOWLEDGEMENT

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PREFACE

A team of leaders from across Ethiopian society came together over the course of three meetings to create the "Destiny Ethiopia Scenarios". They created four scenarios. The scenarios are based on the deep sharing of their experience and understanding of Ethiopia and on inputs from a panel of people with expertise on the content of the scenarios.

These scenarios are stories about what could happen over the coming years based on the current reality and the dynamics around key certainties and uncertainties. They are not forecasts or predictions of what will happen. Neither are they policy recommendations of what should happen.

These scenarios are anchored in the current situation of Ethiopia. They offer different stories of how the future could evolve and play out. The scenarios are relevant, challenging, credible, and clear. That way, they are useful in conversations, debates and decision-making to address the challenges the country faces. The stories support an open and constructive search for answers to key questions: What are the challenges that Ethiopia faces? What are the opportunities? What are the possible paths to take for a better future for Ethiopians?

Scenarios play a very particular role in strategic planning. Because they are stories and because they come in sets of two or more different, plausible stories, they offer the political advantage of supporting informed debate without committing anyone to any particular policy position. Scenarios enable us to deal with the reality that – although we cannot predict or control the future – we can work with and influence it.

HISTORICAL BACKGROUND

Destiny Ethiopia Initiative is an indigenous response to the current political circumstances in Ethiopia. The initiative is led by a Core Team [list attached] comprising nine concerned Ethiopian nationals from diverse walks of life, political perspectives, ethnic groups, faith affiliations, and professional backgrounds. Forum of Federations, a Canada-based international organization that has been operating in Ethiopia for several years and won the support of the ruling coalition and other major opposition parties, hosts the initiative.

Destiny Ethiopia Team has been exploring options to break the deadlock in Ethiopia drawing on experiences from various countries. While it undeniably helps to learn from the experiences of failed states, the team firmly believes that more positive lessons could be drawn from countries that have transcended political deadlocks. According to experiences of countries like South Africa and Colombia future-oriented approaches that necessitate dialogue among diverse groups would greatly help to unlock stalemates while complementing other ongoing peace and reconciliation processes.

In this regard, transformative scenario planning, as a national peace-building tool, was first implemented in South Africa during the early 1990's as the country was struggling to resolve the longstanding political crisis and impasse. A couple of university professors took the initiative to bring together about 30 influential and insightful people from the entire political, economic and social spectrum and build possible future scenarios for South Africa.

This process helped to forge relationships, mutual understanding and trust among the various participants that included representatives of the ruling party and the challengers such as African National Congress and Pan African Congress. It helped them to chart a new pathway wherein each party made compromises so that the profound political crisis in the country would be resolved amicably. These decisions had reportedly contributed a share in avoiding potential clashes and fragmentation by ushering in new dimensions of personal and national transformation. Since then, this tool has been deployed in many other countries.

The Coordinator of Destiny Ethiopia consulted Reos Partners, the team that facilitated this process in South Africa and other countries, about the realities in Ethiopia and spent a few years planning, deliberating and drawing lessons from other countries. The idea was then shared with other members of the Destiny Ethiopia Team, who have agreed to commit to convene the TSP process in Ethiopia. At the initial phase, the team drew a multi-criteria assessment framework to help identify key influential and insightful Ethiopians representing diverse political

perspectives and administrative regions in the country. We then overlaid sensitivity markers like gender, age group, ethnicity, religion, and profession to make the selection more credible. Based on this framework, we identified and selected about 50 people from the entire spectrum [including two prominent personalities from the diaspora], which we thought would form the best possible personification of the present day reality of Ethiopia.

As a matter of necessity, we sought for political buy-in from the government and went through all echelons spanning the legislative, executive, and judiciary, and garnered the support we needed to launch the initiative. In the same vein, we approached Speakers of both houses, the Deputy Prime Minister, the Head of Office of the EPRDF and the leadership of all EPRDF member parties to solicit a 'no objection' and advice in further refining the process to better serve its good purposes. The Core Team has its operational principles where neutrality to the process has always remained central. The team has also reached out to key opposition parties and political activists to secure their political support and solicited their willingness to participate in the process. Besides, some prominent personalities from the media, private sector, civil society, and academia have been approached and included in the process.

The initiative is neutral, non-partisan, and inclusive and aims to build scenarios for Ethiopia through a collective iterative process involving concerned, influential and insightful individuals representing diverse political and apolitical groups. It is not a negotiation or reconciliation process though it has a huge, proven potential to contribute to negotiation and reconciliation processes. The main goal of the initiative is to contribute to creating sustainable peace and security in Ethiopia by structuring thinking and contributing to the formulation of common language and, potentially, shared national vision across the spectrum of players spurring positive action towards a better future.

The process involved three key phases: recruiting of participants for the scenario building process, conducting three closed workshops to build the scenarios, and dissemination of the final product.

The three workshops were successfully conducted in Arba Minch and Bishoftu between June and October 2019. All workshops enjoyed adequate turnout of participants. The State Minister of Peace, the Speaker of the House of People's Representatives and the Vice Chair of the National Reconciliation Commission addressed these workshops. Moreover, resource persons were invited up on the request of the Scenario Team to provide necessary information and knowledge on topics such as Ethiopian history, economy, constitutional and federal issues, food security, demography environmental issues and climate change.

The Scenario Team [of 50 people] has now produced a final report that depicts four possible

futures of Ethiopia in 2040. The report explains the trajectory for each scenario and its possible consequences. The role of the Core Team has always been to facilitate the process and provide technical support.

The Scenario Team will continue to work together in disseminating the scenarios to their respective constituency, key individuals and institutions, and the general public through a unique dissemination modality that primarily targets the constituency of the scenario team members themselves. The process is hoped to forge more positive relationships among diverse political actors through transforming their thoughts, understanding and trust. The team is currently holding consultations with the National reconciliation Commission and the National Election Board with the intention of positively influencing the upcoming election and reconciliation processes in the country.

OVERVIEW

There are many possible paths for Ethiopia's future. The Scenario Team has created four as the most useful to explore.

As uncertain as the future is, there are some certainties: the population will increase significantly; urbanisation will continue to increase rapidly, leading to the expansion of cities; the youth demographic will continue to grow in size and will need jobs; and some version of federal governance will continue.

There are uncertainties too: the character of democracy; economic development and inclusion; conflict and violence; the response to environmental changes; food security; impact of external developments; and continuity of the state.

The four scenarios outline four possible ways Ethiopians could respond to these challenges. In the first scenario, Broken Chair/ሰባራ ወንበር, our response is "realistic"—working cautiously within current capacity constraints—but inadequate to the challenges. In the second scenario, Hegemony/አዪ በጉልበቱ, our response is authoritarian and controlling, based on the view that the country's tough challenges require a tough approach. In the third scenario, Divided House/የፉከከር ቤት, our response is fragmented, as different groups each act with greater freedom and this produces greater division. In the fourth scenario, Dawn/ንጋት, our response is to steadily build up institutional capacity so as to be able to effect a democratic transition.

DOMINANT RESPONSES

Steady building of institutions

Separate and protective

Authoritarian control

Caution, limited by current capacity constraints

SCENARIOS FOR 2040

DAWN

DIVIDED HOUSE

HEGEMONY

BROKEN CHAIR

	ንጋት **Dawn**	የፋክክር ቤት **Divided House**	አዴ በጉልበቱ **Hegemony**	መባራ ወንበር **Broken Chair**
The character of democracy	Transitional democracy is gradually built with emerging institutions, rational bureaucracy, and justice.	A patronage government stays in power by distributing favours to elites.	The authoritarian state controls the Ethiopian political system and erases democracy.	The government does not have the capacity to build robust and credible democratic institutions.
Economic development and inclusion	The economy grows sustainably, with increased participation of marginalized people and the private sector.	The economy benefits the well connected; excluding most people until crises leads Ethiopia to the brink of a bailout.	Economic growth, controlled by the authoritarian state, is abruptly halted by citizens concerned about the lack of social development.	Economic planning and execution is not robust enough to withstand major development challenges
Conflict and violence	Declining frequency of violent conflict as the state builds the capacity to maintain law and order.	Lawlessness prevails with loss of lives. Regional states arm themselves leading to weakened national army.	The authoritarian state clamps down on violence leading to an enforced peace that eventually produces an uprising.	High levels of violence overwhelm the government.
Response to environmental changes	Genuine commitment and action on environmental changes including climate change.	Government pretends to be concerned about environmental sustainability to access funds that it can divert elsewhere.	Environmental degradation occurs widely and quickly once the authoritarian state's control is weakened.	Trans-boundary resource conflicts and lack of effective response to natural disasters.
Food security	Food security is achieved with increased productivity and access.	Food security declines dangerously as a result of a major drought and conflict, and this leads to famine.	Agricultural productivity declines leading millions of people to depend on food aid and donor funding.	Challenges with land, violence, and a booming population lead to food insecurity.
Impact of global circumstances	External stakeholders will lose financially as there is less reliance on aid and external food supply.	Crises lead to a sovereignty threat from foreign creditors.	Support from global allies and external threats are used to rally local support.	Ethiopia is overwhelmed by external threats.
Continuity of the state	The federal system fairly distributes power and resources between the central government and states.	The central government is weak while regional states with strong leaders want to secede.	Regional states are tightly controlled and subordinate to an authoritarian central government, which eventually loses control.	The central government lacks the capacity to work constitutionally with the regional states.

SCENARIO

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DAWN

In the scenario of Dawn, progress is hopeful but initially tentative: it takes time for the full light of the new day to be visible. Ethiopians build on recent reforms and reconciliation processes as it progresses on a democratic path. Deep-rooted contradictions salient at different levels within communities are being resolved through open, round table discussions. Conceptions of forgiveness and conciliation – as opposed to antagonism and hatred – are gaining currency among formal and social media channels. Institutions and the economy are gradually and steadily built up and strengthened in line with a clarifying vision and with a growing unity.

Recently enacted reforms have created a sense of hope in Ethiopia. There is a sense of freedom following the end of the state of emergency. Internet censorship has stopped. Repressive laws have changed. Political prisoners have been released and are free to participate in the elections. Relations with neighbouring countries are stable and promising. Our democratic transition is gathering steam. Deep-rooted contradictions salient at different levels within communities are being resolved through the facilitative role of the newly established National Reconciliation Commission. Conceptions of forgiveness and conciliation - as opposed to antagonism and hatred – are increasingly gaining currency among formal and social media channels.

There are challenges too. Protests continue against government policies. Youth agitations erupt across the country. Two million people have left their regions as internal displacement continues unabated. The population is 105 million and rapidly growing. More young people need jobs. The youth are voicing their discontent at the lack of opportunities for them. Laying the foundations for democracy will not be an easy path but a new Dawn is within sight.

Citizens talk about the future of Ethiopia. There are physical platforms for conversations. Social and mainstream media also provide channels to speak. Civil society, intellectuals and political parties facilitate dialogues in their communities. The focus is on a transition to democracy that is unique to Ethiopia. In these conversations it becomes clear that different historical narratives exist. But, there is an intention to find commonality through it all.

Opposing political forces open up for a bargaining process. The goal is conciliation, as well as the continuity and stability of the nation. There is also a significant drop in disarray in the incumbent party whose leadership finds a way to bring the unity, discussion and dialogue evident in the general public, into the depths of the political coalition. A big challenge is to find consensus from major parties and groups on a roadmap to amend the constitution.

The 2020 elections are free and fair. Parties organise along ideological and class orientations more than along ethnic and regional lines. The result is the emergence of fewer, but larger political parties with representation spread across the country. A spread of political parties wins seats in parliament. Coalitions result in shared power at the federal and regional state levels and the first multi-party government in our country.

The new government is keen to address the population growth that is underway. The fertility rate is about four births per woman in 2020. The government implements the national fertility policy. Family planning services are expanded. Education and awareness around the population is offered across the country.

By 2025 our focus is on building robust institutions. Stakeholders agree on a roadmap to ensure a clear understanding of the path ahead and to act in unison. This will not be easy with some key parties and people notably absent from discussions. Still, reforms continue. We establish independent democracy and justice institutions. A rational bureaucracy emerges.

There is a massive drive to educate and train public sector officials. Diligence in the management of public finances is a focus area. A stronger regulatory framework is put in place to maintain the integrity of the financial system. With the emergence of credible institutions, albeit at an early stage of their existence, other areas are set to flourish.

Our citizens are organising effectively. Civil society organisations are developing and maturing. People are raising their consciousness and are protective of their rights and liberties. This provides an important counterbalance to the governance of the state.

The incumbent party decides to amicably partake in the debate of the Constitution. It sits with the opposition and a diversity of stakeholders to debate and reach settlement on all the issues on the table, even while some stakeholders who do not believe that the Constitution should change are absent. The provisions in the existing Constitution that are commonly accepted are retained. The parties compromise on divisive constitutional provisions. The rights, duties and limits of power of the ruling and the ruled are well defined in a new Constitution. There is equal participation from all Ethiopians. The new Constitution uses gender-sensitive language, and rejects all forms of violence. It is the pride of all Ethiopians.

The federal system is tweaked to work efficiently. The central government ensures that regional states are allocated resources fairly based on current needs and the legacy of neglect in some cases. This supports local government to deal with local challenges. The same fairness in the allocation of resources is in turn applied at the woreda and kebele levels. The capital market emerges as a decisive factor in funding development. Municipalities for example, begin to sell bonds. Challenges remain. It is hard to shake off the enduring feeling among some groups that the system is inherently unfair. But through transparency, the aim is equitable growth across the country and for all our people.

Our economy is growing. The private sector is expanding and dynamic. Private investment is on par with government's capital spending. Measures are enacted to reduce corruption and to protect the progress that we have made.

The government announces that it will relinquish control over key segments of the economy. The first step is a sale of a minority share in the Ethiopian telecommunications sector to the private sector. It is at the feasibility stage of selling stakes in other state owned enterprises. There are concerns about the availability of funding for the Ethiopian private sector to step in while foreign investors are very interested. The structure of our economy is changing.

Our approach to natural resources is changing. In the past there was a top-down approach to the management of natural resources. People used these resources in whichever way it suited them. For example, a person with a water pump would extract water from a lake for personal use. The shift is now to community utilisation and management of resources. Our communities implement rules such as prescriptions for water quality and the quantity to be used by community members or external users. Awareness comes from discussion and decision platforms to guide communities on the use and utilization of resources.

The women's rights movement has created a national critical mass of concerned citizens who articulate their demands from an equality perspective. The movement is empowered to hold leadership accountable to address the demands of women and girls, and it is able to help politicians to value women both as a voting constituency and as leaders in society.

The government is in a better position to maintain law and order across the country. Still, there are concerns that the use of the military for peacekeeping leads to an artificial peace that is not sustainable. The 'gun control' kind of peace is transformed into a self-regulating peace where our people are conscious of their situation. After years of normalized violence, there is progress, evidenced by a decline in the levels of violence and conflict.

By 2030 elections have become more credible. Indeed, the political discourse is showing incremental signs of maturing as a democracy. Political parties have become stronger and more viable along ideological lines.

There is a genuine and enhanced commitment to tackle environmental challenges. Government specifically seeks to mainstream its environmental policies. By now, we have reduced urban pollution, deforestation and soil erosion. Our country is a serious player in the global response to climate change.

Ethiopia becomes food secure. We have increased availability, access, utilization and stability of the food system. The government places emphasis on distribution systems to transport food from areas of high production to areas where it is needed the most. Agricultural commodities that are currently imported are increasingly produced locally. Peace and stability are the main drivers of food security. In previous times of famine and food aid, some foreign actors gained indirect influence. They do not take their loss of soft power lightly.

By 2035 we have a traceable reduction in the prevalence of gender-based violence due to sustained campaigns and the government's visible commitment to ending violence. Cases are reported more frequently, survivors get adequate care and support, societal tolerance to violence drops, together with the practice of victim blaming. We have sustained national conversations on healthy relationships and the culture of violence.

The taboo against women farming in many Ethiopian communities is officially challenged by the government and validated by a higher number of women engaging in farming in communities across Ethiopia. This contributes to the food security and social cohesion of their communities.

Social development is improving. A key contributor is the progress that is made on land policy. Key policy considerations aim to make land productive, to ensure the well-being of people who work on it and to ensure that more Ethiopians have title deeds to property that they own. More Ethiopians owning property assets pave the way for further financial autonomy and growth at the level of the family.

We are doing well in our response to environmental challenges. The impact of environmental disasters is lower. There are strong early warning systems in place. Local emergency response organizations are strengthened to respond to droughts and potential famine triggering situations. A national green economy strategy is implemented across the country. It practically addresses mitigation of greenhouse gas emission, boosts carbon sequestration, reduces water loss and erosion.

By 2040 Dawn sees the realisation of the democratic transition. Ethiopia has done the hard work of focusing on the basic issues. In parliament the multi-party system is firmly established with equal representation and diversity in terms of gender, age, ability and social class. Ethnic relations are amicable. There is now a culture of accommodating differences. A new concept of unity and a common national identity emerges. The federal system allows for unity on some issues and diversity on others. Ethiopian women have achieved political representation as elected officials and as members of Parliament. Gender equality and social justice are noticeable features in our country. Our population growth rate has slowed down significantly.

We now play a major role in regional and global affairs due to a strong democratic culture as well as strong leaders. Our standing also affords us increased negotiating and bargaining power when it comes to international agreements and contracts. An unexpected consequence is that migration from neighbouring countries is on the rise as people feel that opportunities in our country are enticing.

There are still challenges. We have not made as much progress on social development as we have with the economy and governance. Making decisions is hard and slow as we listen to differing and divergent perspectives from parties that are not always on the same page. But the tolerance for this is part of the democratic process. It is an incremental social progress.

Much hard work has been done to lay the foundations for democracy. But, it is still a long road ahead with opportunities and ¬threats along the way. Our democratic project remains a work in progress.

SCENARIO

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DIVIDED
HOUSE

In this scenario, like a **Divided House**, different sectors and regions use their newfound freedom to pursue their own ambitions; gaps and divisions grow at all levels of society. The economy is doing well but social development does not receive adequate attention. Multiple crises expose the central government's fragility. Some regional states strengthen to the point that they are confident about total self-autonomy.

Over the past year the government has enacted meaningful reforms that give people a sense of hope. The economy is doing relatively well. But, there are signs of difficulty ahead. Some aspects of society are fraught. It is not clear yet whether the ruling party is adequately unified within its ranks to follow a coherent roadmap for the country. Internal displacement and violent conflict are at alarming levels. The country remains one of the poorest in the world with low capacity at the institutional level.

The federal system is not functioning in a balanced manner. The central government is weak, even though it has intentions to lead strongly to sustain the Federation. National plans and roadmaps for development are not executed in all regions. There is lack of uniformity in treatment as some regions are favoured while others are neglected. Some regional states grapple with the question of whether they are strong enough to become independent countries. They are becoming stronger on their own, reinforced along lines of ethnicity, boundary, and sometimes religion. Autonomy is an enticing prospect. Our ethnic-based federal system has been causing more division of late, as opposed to a sense of unity.

Religious institutions have been very influential in Ethiopian society throughout its history. Some of these institutions are undergoing changes in structure and organization across the country. With Ethiopia's rich mix of ethnic and regional identities and the challenges that come with it, religious institutions find that there are interplays between their influence and the politics of the country.

People are on the move in Ethiopia. Many are moving for perceived better opportunities. Thus, urbanization takes place on a grand scale. Others are moving out of fear for their lives. It is estimated that more than two million people are internally displaced. With a population that is rapidly increasing these internal movements require a strong response from the central and regional state governments.

In 2020 a rare public admission by the central government acknowledges that leadership at the federal level is not as strong as it should be. It points to fragile democratic institutions, principles and processes. The federal system has been undermined by the central government's strategy of staying in power through the distribution of favours to elites in the regional states. Regional states for their part are in a position of power. They are also more in control of their regions than the central government is in control of them. The relationship between the federal and regional powers has regressed significantly.

The result of the 2020 election does not change the political landscape too much. Bold reforms that led to the freeing of thousands of political prisoners came with the expectation that the opposition parties would gain seats in parliament. It was not meant to be. The ruling party wins the election. A lot of people believe that the electorate voted based on the reforms initiated

by the government. However, some people still feel that the election was rigged using sophisticated methods including bribery even though the Election Board was led by an independent person.

The space opens for assertive leaders to emerge in some geographic regions. Some of these leaders have used brute force to destroy alternative leadership in their domains and have their sights on absolute control of their regions. There is also a group of regional state leaders whose stance is distinctly democratic. The emergence of all of these leaders has not happened overnight. They have been amassing resources for a while.

The Ethiopian economy is growing in line with the high growth rates of the past decade. It is forecast to continue to do so into the near future. The moniker "African Tiger Economy" is apt. Being a patronage economy, stories emerge of funding that is meant for infrastructure projects being diverted to a small group of connected people. Corruption is rife. The private sector is by and large unable to partake meaningfully in the economy. Wealthy Ethiopians are leaving the country. The economic growth is not benefitting all Ethiopians. In that respect, economic policy is failing.

People are very concerned about the lack of progress in social development. Poverty is on the increase again after healthy gains. Job creation will be difficult with half a million school-leavers needing jobs each year. Savings and investments for ordinary citizens is not even a consideration.

Divisions are growing at many levels of society just as it does in a Divided House where no one seems accountable. At the national level there is a feeling that some regional states dominate the culture of the country. Within regions, many people feel that the culture of other regions is imposed on them. In general, groups are using different historical narratives of the origins of Ethiopian development and the formation of the country. The state for its part attempts to use historical narratives to justify policy changes that favour one group over another.

Groups seek out the narratives that support their agendas and drive them in different directions. In recent political history, a mentality of division was instilled between ethnic groups; between the poverty stricken and the rich; and between religious groups. They all now have the propensity to hate each other and act violently.

The divisions prevent any chance of consensus on the Constitution. Some ethnic groups consider the Constitution to be a guarantee of their freedom so it is not in their interests to change it. Other groups and regions would like to see changes made to the Constitution. Thus, this disagreement further escalates the divisiveness of politics at this time.

Regional governments use the threat of secession to negotiate for funding and resources from the central government. Secession has been avoided up to now. One reason is that regional states are actually in a strong bargaining position and would only use secession as a last resort. Bargaining aside, regional states see secession to become independent countries as taking responsibility for their future. They continue to build their capacities and wealth in line with their aim of self-autonomy. Foreign powers are also competing with each other in Ethiopia. They covertly support different groups based on mining and commercial interests. Ominously, reports emerge of an upscaling in regional armed capacity. This creates a tense atmosphere.

Elections over the years are characterized by increasing fragmentation and violent conflict. Regions are definitely stronger yet the weak central government is experienced enough to conduct elections in ways that keep it in power through the flow of patronage favours.

By 2030, we experience a debt crisis. The causes are threefold. First, we have borrowed extensively to fund new infrastructure projects, which are not yet operational and therefore not contributing to the economy as yet. Second, we have not diligently managed our national debt payments over the years. Third, we have not managed to boost export, leading to an acute shortage of foreign currency.

The default on debt obligations leaves us vulnerable to foreign intervention. International finance institutions offer the option of a bailout. Most of our debt is from one foreign country. The collateral on the loans are the strategic infrastructure that was built using the funds. Energy projects, logistics infrastructure and other assets transfer ownership out of Ethiopia's hands. By this point, the skills to own, manage and operate these assets have already been successfully transferred to Ethiopians. It is a pity for us to lose ownership under these circumstances. Our sovereignty is very much at risk.

Informal armed groups are active and attacking people triggered by ethnicity and religion caused conflicts. There is a huge loss of lives. The government, focused on the debt crisis, is unable to respond swiftly.

There is not much room to consider the environment at this point, following years of leadership on the response to climate issues. The state continues to project a concern for environmental sustainability. But, it is actually to create political legitimacy and to secure funding from international institutions that can be diverted elsewhere. There are major questions around the ability of this government to respond to big climate related events as it is already seen as compounding the plight of vulnerable people.

In 2040 we are dealing with many crises. A major drought takes hold. This disaster quickly results in famine in some regions. Our country has experienced this before, but not on this scale. Some regions are better off than others, especially with access as the market and infrastructure for food is controlled. But for Ethiopia as a whole, this event is a major knock. Another big threat is the potential invasion by a neighbouring country over the use of common natural resources. The central government is too weak to deal with all of the crises on the table.

In 2040 local actors are mobilizing to exploit the weakness of the federal system. Leaders in regional states have options. Their strength and resources can give them the confidence to secede and become new countries. Or, they can make a move for the leadership of Ethiopia. Everybody is concentrating on the respective religious and ethnic affiliations. Common values make way for extreme divisions.

The various divisions in our society pull our people in different directions. We may need to redraw the map of Ethiopia if this continues. One thing is certain: we are at crossroads. Will the crises lead to an all-out conflict through the deepened divisions and accountability failures visible in a Divided House? Or will we find a way to come together to respond to our people's collective needs?

SCENARIO

3

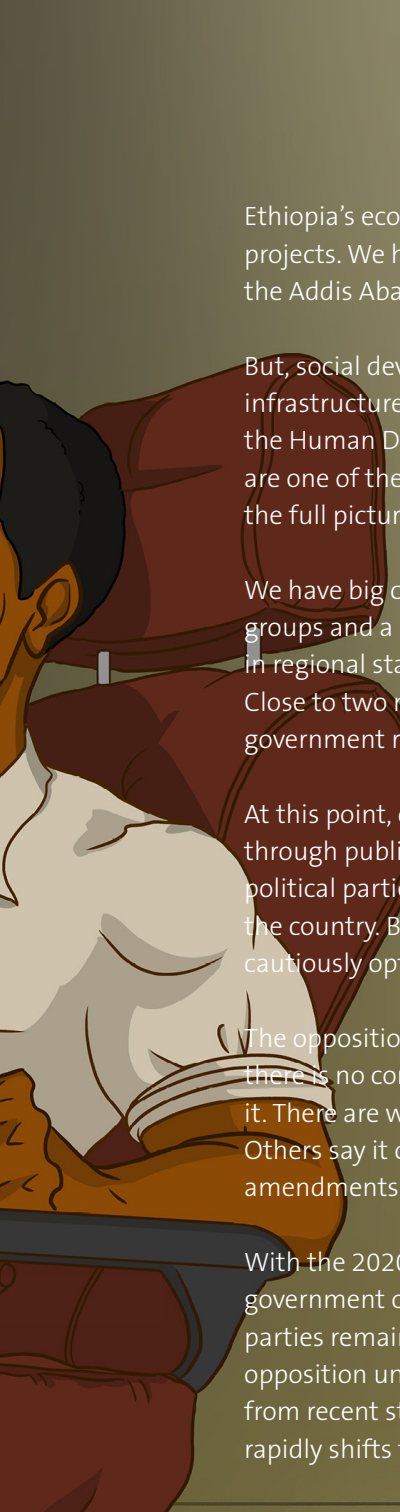## አዬ በጉልበቱ
HEGEMONY

In the scenario of **Hegemony**, we believe that authoritarianism is the most prudent response to our challenges and conflicts. An authoritarian state uses a strong hand to control violence and to manage the economy, the environment, and population pressures. With time, Ethiopians become disenchanted with inadequate social development, and an uprising is inevitable.

Ethiopia's economy has done relatively well, spurred on by state-led infrastructure projects. We have built the continent's largest hydroelectric power dam. The lines for the Addis Ababa–Djibouti Railway have been laid. We have new highways.

But, social development has lagged behind our progress with the economy and infrastructure. While the level of poverty has decreased, we rank very low globally on the Human Development Index, as a measure of people and their capability. Also, we are one of the poorest countries in the world. Thus, the growth of our economy hides the full picture.

We have big challenges. There is a surging population, agitation amongst various groups and a hunger for further reforms. Violence is prevalent. Political instability in regional states is a big concern. Internet outages for days follow critical events. Close to two million people have left their homes and are on the move. How will our government respond?

At this point, citizens are engaging on the future of the nation on online platforms, through public discourse, in the mainstream media and through rhetoric from political parties. It is clear that there are differences in intention about the future of the country. But, recent reforms by the government would mean that our people are cautiously optimistic.

The opposition is convinced that the Constitution needs to change in some way, but there is no consensus on what exactly needs changing nor how to go about changing it. There are widespread calls for immediate discussions to amend the Constitution. Others say it can wait for after the elections. The challenge for those seeking amendments is that there is no clear roadmap for changing the Constitution.

With the 2020 elections approaching, negotiation between opposition parties and the government on the election law ends in disagreement and is disrupted. Opposition parties remain emboldened. They maintain pressure on the government. While the opposition unites, the relationship with the ruling party is fractious. Making a U-turn from recent steps to encourage participation from opposition parties, the government rapidly shifts from openness to lock-down.

The incumbent party wins the 2020 election with a massive majority. A small percentage of parliamentary seats go to opposition parties. Foreign powers with ulterior motives in the affairs of the country applaud the result. Foreign election monitors declare that the elections are fraudulent. There are claims that the ruling party has conceded parliamentary seats to an opposition that is actually a front controlled by them. It amounts to a tightening of power. Hope turns to dismay.

By 2025 civic and social organizations – including women, youth and professional associations – are under government influence and control. The liberalization of the media before the 2020 elections gives way to a stifling of dissident voices in online forums and public discourse. Ethnic and religious rights are not respected leading to limitations on what these groups can do. Journalists are imprisoned. Those that are not incarcerated go into exile. Civil society is considerably weakened. An authoritarian government has firmly entrenched itself.

The government clampdown triggers violence across the country. But the violence is not only linked to the government' actions. The absence of a national consensus on the Constitution, issues with the federal system, language challenges and nationalism are big contributors. Tensions mount within divided communities.

igh levels of violence and displacement have far reaching consequences. It exacerbates existing food shortage problems. It lays bare a growing wealth inequality. People facing food insecurity are in a state of survival that leads to increased lawlessness, especially in cities and urban settings. In rural areas, environmental degradation increases as people overtake natural resources such as forests for subsistence.

The response of the government is a curfew and the declaration of a state of emergency. Most of the violence is stamped out. The authority of the state rules. There is a sense of quietness around the country, as people do not have the freedom to be on the streets anymore.

In spite of this, economic growth is doing well, as investments in infrastructure continue. The government has identified key constraints to economic growth and has acted to address them. All aspects and sectors of the economy are tightly controlled. As a result, growth rates remain strong. The economy is a source of power for the government to pursue its agenda.

The government nurtures relationships with the international community wherever it seems to benefit from it. The most important relationships are with global allies who provide much needed support. Other relationships are with the international donors that fund food aid programs. Other international relationships are not on solid ground though. Regional economic integration is at risk. Our relationships with neighbouring countries are strained as mistrust of events in Ethiopia take hold. This is especially true for those countries that are democracies.

Our rising population was once viewed as an opportunity. Now the state sees the population size as a threat to its economic development agenda. The mantra is that more people will consume more resources. Younger people entering the job market are not easy to absorb. The state responds by designing a population control policy that advocates for smaller families. Family planning efforts are coupled with massive public education and advocacy work.

Power sits squarely in the centre of the federal system. The regional states have superficial authority. In effect, they are now puppets of the central government. Even the public's will for independent action is destroyed. Both the public and the regional officials are totally dependent on the central government for orders and instructions on what to do.

A move to create unity arises from within the authoritarian state. All political players have accepted the ethnic-based federal system. But, ethnicity continues to be the source of much angst and contention. The regional states are dependent on the allocations of resources from the central government. It is this dependence that the federal government uses to dictate the grounds for unity without consultation.

The state's assertive leadership extends to the environment. The effort to control the population size has an economic motive. If that policy is effectively executed, environmental degradation will also be reduced. Our country has continued on its path of pioneering in terms of ecological and environmental sustainability. In this respect, we remain at the forefront of global efforts.

This regime is intent on entrenching itself into power – as an authoritarian would – by whatever means possible. Elections over the years are thus carefully orchestrated events to present a façade of democracy. In the process, democracy is actually erased.

The sustained growth of our economy is threatened by an unlikely source. It becomes clear at this point that the political economy awareness of citizens has changed markedly. People are not satisfied anymore with an economy growing without social development and inclusivity. There is a lack of accountability for people's welfare. Corruption is rampant. This diverts resources away from the rightful beneficiaries. Moreover, where Ethiopia once did fairly well with economic equality, it now sees signs of unfair distribution of wealth and the emergence of different classes in society.

The public is now eager to mobilize to resolve their issues and disappointments. Suddenly, the simmering tensions of private conversations burst into public spaces. There are struggles, and mass demonstrations. People eventually take it to the streets. The government's reflex response is initially brutal to counter this threat.

Foreign threats present an opportunity for the state. There are emerging fundamentalist groups that are trying to take hold within Ethiopia. Also, a conflict with a neighbouring country related to access to a shared natural resource threatens to become more serious. These national security threats are used by the state to gain support from citizens through the rallying cry, "People unite, the enemy is coming". It is not enough though.

Public resistance lays bare the true nature of the economy. Sustained high growth was the norm up to now but the economy is characterized by excessive and arbitrary government interference. The trade and investment climate is highly constrained. This authoritarian government has to do with significantly less economic resources.

Agriculture is declining. This has cross-cutting implications. There is a reduction in productivity in terms of crop yields. Farmers and pastoralists are not fairly rewarded for their efforts. Some businesses begin to hoard grains thereby attempting to artificially increase prices. The government is then forced to control prices. During the resultant downturn in farming, urbanization continues unabated. This places a strain on the resources of big cities.

Ten million people urgently need access to food through emergency food assistance. The foreign policy adopted ensures that we have donors who are willing to complement the state-funding of social schemes and intervention to ensure food security. These donors have been funding Ethiopia for a long time by now. Their support is now tested by human rights concerns. If they withdraw their support – and this is becoming more likely – millions more will immediately go hungry. The government feels the pressure.

The deteriorating domestic situation scares the markets. Government has to scramble to prevent capital from leaving the country. Foreign investment is halted. There is a false sense of economic vibrancy as party-affiliated businesses continue to thrive. However, even that shows signs of fragility and it is not sustainable.

By 2040 the state can list some successes in its assertive response to the challenges that Ethiopia faces. The population of the country has moderated. The landscape has also changed physically as infrastructure projects have been built and are now in use.

There are failures too. Violence, initially subdued through authority, has resurfaced years later with renewed force. The economy has faltered and is now in decline. As the state's grip on power dissipates, it seems that its successes with the environment are about to be reversed. Forests are destroyed overnight as part of the violence and conflict. There are no sustainable solutions for food insecurity, as millions of our people are only surviving due to humanitarian aid.

The authoritarian rule of Hegemony has run its course and change is afoot. After decades of being ignored, the way forward is now decided by the will of the people. Leadership is faced with a choice: are we going to be a failed state, or should we take the tentative steps towards development that is inclusive of all of our people?

SCENARIO

4

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BROKEN
CHAIR

In this scenario, like a **Broken Chair** that appears to stand but cannot bear any weight, our incapacity cannot support progress at all levels of society. There are bright spots initially but the need to respond to the booming population places strain on the system. The challenges are clear, but our inability to develop the capacity to respond effectively and early leads to stagnation later on

We have 105 million people and our population is growing rapidly. About 80% of our people live in rural areas, but this is changing. Large numbers of people are moving into cities. There are big projects to provide housing but demand outstrips supply. The provision of housing is part of the wider challenges that Ethiopia faces across governance, economic development, poverty alleviation, food security and the environment. Will we have the capacity to respond to these challenges?

The government has done well to grow the economy steadily over the past decade. Major infrastructure is being built, including railways, road networks and energy projects. Domestic funding is inadequate. This has opened the space for foreign loans. Some are concerned that it is a ploy to transport natural resources out of Ethiopia, and to bring in consumer goods easily. Others believe that excessive investment on infrastructure drains funds without certainty on returns. Still, these assets are symbols of our intention to speed up development.

Donor countries continue to offer us development aid packages. We are dependent on such funding to respond to persistent poverty even though much progress has been made in that regard. Our capacity to use aid effectively is questionable. It complicates the way we run our country. It also makes it harder for us to move forward in an original and uniquely Ethiopian way.

Insufficient job creation is a major challenge. We need to create one million jobs a year in cities alone. Youth that are entering the job market also need work. With the unemployment rate at 19% and forecasted to worsen, prospects overseas are enticing. We can ill afford a brain drain of skilled people at the same time.

We have made progress with education. Literacy levels are increasing. But there are problems. Policy formulation and implementation is weak. Enrolment into lower grades is much higher than completion rates at higher grades. Girls remain less educated than boys. School nutrition is nearly absent in primary schools. The quality of teachers, their levels of education and the regard for teaching as an occupation are of concern. We will need to do much more to develop the skills to create and fill jobs in subsequent years.

We lack the capacity to realise our vision for the country. Our incapacity extends across all aspects of society, and it is not confined to the state. Our media, both state and private, is biased and weak. Institutions, lacking credibility, cannot enforce law and order. The justice system is frail, inefficient and corrupt with an inability to normalise rules and norms. Institutions are run by people who do not have the ability to deliver. The participation of women in political and public life is low. Our private sector is not contributing in any significant way.

There are many driving forces behind our lack of capacity. The main ones are lack of experience and knowledge. Corruption and nepotism are a constraint. Another challenge is the assignment of people to key bureaucratic posts based on loyalty. The state is thus unable to create credible, competent and accountable institutions across the board.

The incumbent party wins a majority of parliamentary seats in the 2020 elections. It takes place against a backdrop of weak institutions and poor supporting infrastructure for such a key event. Allegations of election rigging and irregularities are rife. It is incapacity that reduces the election to a symbolic and fake event. The government does not have the capability – mediation or military peacekeeping – to respond to the violence that follows after the election.

Incapacity at the government level leads to other groups filling the void. Youth movements are stronger and emboldened. Religious institutions have a more influential voice as well. Proliferations of smaller political parties – resentful of the election results – also compete for a leadership role. These multiple poles of power mean that there is no chance for a unified leadership of our country at this point.

The federal government lacks the capacity to work constitutionally with regional states. There is a felt lack of clarity on laws and rules to govern these relationships. The federal government is distant from the affairs of regional states besides the allocation of budgets to each of them. Regional states are in need of support and development. If the federal system is to be effective, positive changes in the economic and social development status of regional states is a primary indicator. It does not seem that this is about to happen, especially with the regions that may need such development the most.

By 2025, our economy is unbalanced and in decline. Our resources are not used efficiently. Unemployment is climbing and wages are stagnating. Our country is importing much more than it produces for export. The economy is not robust enough to address our development needs that far exceed our total income.

Our population size is rapidly ballooning. Fertility rates are following projections. The government realises that action is needed now to avert a crisis a decade or two down the line. But, it does not have the capacity to draw up an effective policy, nor to implement it. There are inadequate resources to do the much-needed family planning. One big opportunity is to increase the levels of education in girls and women. But, our education system has not produced good results with female enrolment and school completion rates up to now.

We have ambitious plans to meet the growth in power demand – significant at 30% annually – and to export green energy to other countries in the region. However, our mega power-generation projects – mostly wind, solar, geothermal and hydropower – are delayed. The delays

are due to project funding obstacles as our foreign partners feel the pinch of a global downturn. Another factor is the lack of internal capacity to complete infrastructure projects alone. The delays threaten our power supply at a time when the economy desperately needs energy stability.

By 2030, the impact of climate change at a global level, for example through shortened drought cycles, affects our farmers and pastoralists as they have little capacity to respond to it. Officials have not responded with the scale of the acute challenges presented by climate change. Our response is often inadequate. This is about a lack of capacity and knowledge in emergency preparedness and disaster response at a time when the attention of the aid industry is taken up by other 'priority' countries that are privileged over Ethiopia. The response to environmental events that happen more frequently is beginning to consume more of our annual budget.

With neighbouring countries, one flashpoint is the fair utilization of the Nile River for the Renaissance Dam project. Another contentious area is the issue of cross-boundary grazing land. Internally, there is competition for natural resources while environmental degradation is not controlled. So is trans-regional waste flow. These threats are enough to slow down the development of infrastructure and to distract politicians from domestic challenges.

There is an expansion in the activities of new extremist groups in Ethiopia. The incapacity of the state makes Ethiopia an ideal base for these groups to organise their operations. Traditionally, we have always come together to fight foreign adversaries. In this case however, our willingness is not matched by our capacity to respond.

By 2035 our people are leaving their homes and regions. The effects of climate change such as drought and other extreme events, is one cause. Another cause is that there are fewer opportunities for our burgeoning population. Violence related to competition for land acquisition and for grazing also plays a role.

Violence continues in various forms. Violence related to ethnic-based politics sharpens divisions. Conflict arises as major religious institutions grapple with their organisational structure across the country. Women particularly, bear the brunt of tensions. There is a huge need for conflict resolution. Traditional approaches are more effective at the local and regional levels but prove more difficult to use across regions and at a national scale.

In the face of these challenges, the government undertakes a wide public consultative process. The aim is to find common ground on the continuity of Ethiopia. It is a decent attempt at consensus-building in the face of serious divisions. The result of the process is a "Declaration of Unity". The document aims to be a reflection of the common interest of the people. However, political interests ensure that the process does not reach individual Ethiopians to hear from

them directly. The existing capacity to lead such a strategic conversation is not much in the country. Still, the "Declaration of Unity" makes a contribution to a sense of unity. A lot of work remains.

We have not built the capacity to run credible elections. Elections over the years bear similar results. Each election cycle yields a fake voting event. The electorate does not have the capacity to push for meaningful change either.

Food insecurity continues as a structural problem. Production requires a boost. Our smallholder farmers and pastoralists are not improving their skills and knowledge to enhance production. The transition to a services economy and uncertainty around land ownership has contributed to the problem. Food distribution is difficult in the midst of violence and instability. The right to food is protected through continuing donor-based food security programs. There are concerns about nutrition in children and adults. This leads to compromised public health, high school dropout rates and an unproductive workforce.

By 2040 we are building half a million housing units each year. We have 150 million people and the rate of urbanisation has tripled. It is not enough to cope with the growing demand for housing. Our population has grown in line with the projections as the government has failed to moderate it years ago. Now, the big challenge is to provide housing, jobs and services.

Land rights and security to access land is crucial for our rural people, especially farmers and pastoralists. The millions who now live in urban settings are vulnerable to ending up in informal housing. The government's policy to land ownership requires urgent work. Should the government continue to own land? Should we shift to private ownership? What is the policy that will unlock the potential of our country? As with the response to climate change, food security and a rapidly rising population, the state is unable to formulate a clear response.

The tree seedlings that we planted since the 2019 grand campaign have grown tall over the past two decades. So too have the millions of young people who are now adults expecting access to jobs and opportunities. Our efforts to educate our people and to provide jobs for them continue. The spotlight is also directly on the sense of agency of our people. We seem to lack the capacity to proactively create opportunities for ourselves.

In this world of Broken Chair, Ethiopia's struggle to develop capacity still permeates all aspects of social and economic life. Institutions are not resilient, effective, or credible. It is difficult to develop priority institutions in order to break out of the vicious cycle of incapacity. We wait for change but it is hard to see where it will come from in our state of dependency. We have big dreams but what would enable us to make them a reality?

SCENARIO TEAM MEMBERS

The Scenario Team is made up of leading actors who are representative of Ethiopian society. Individually, they are respected leaders of their own sectors, and as a team, they have a range of backgrounds and perspectives that enable them together to grasp the emerging system as a whole. Groups represented in the project include leaders from civil society, government, business, academia, media, young people, politicians, activists, and others. The list of Scenario Team members is hereunder:

Abraha Desta, Chairperson, Arena Tigray

Addis Haregewoine, Chair of the National Council, NAMA

Adem Farah, Executive Committee Member of Somali Democratic Party (SDP) and Deputy President of Somali Regional State

Alemayehu Areda, General Manager, ANDBC Consultants

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Andualem Arage, Deputy Leader, EZEMA

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Asma Redi, Director General, Ministry of Peace

Aster Bedane, General Manager, Fontenina Arts

Awol Allo, Senior Lecturer and Director of Internationalization, Keele University

Ayele Degaga, Businessperson and blogger

Bedilu Wakjira, Academic, Writer, and Poet, Addis Ababa University

Berhanu Nega, Leader, EZEMA

Beyene Senbetu, Chairperson, Oromia Abageda Office

Changkouth David, Officer, Gambella Meles Zenawi Academy

Dawuud Ibssa, Chairperson, Oromo Liberation Front (OLF)

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Girma Seifu, G/Manager, Private firm

Hailu Adugna, Party Deputy Spokesperson, Oromo Democratic Party (ODP)

Hassan Moalin, Foreign Secretary; Head of Addis Ababa Office and Federal Issues, Ogaden National Liberation Front (ONLF)

Henok Aklilu, Executive Committee Member, Addis Ababa Balderas Council

Hikmet Abdella, G/Manager, of a private firm and Harari people representative

Juhar Hassen, G/Manager, Private Firm

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CORE TEAM MEMBERS

Negusu Aklilu: Prominent social advocate and an expert in global governance and advocacy. Negusu is also the visionary and Coordinator of the Project.

Wondwossen Sintayehu: Prominent environmental lawyer and environmental negotiator for Ethiopia and Africa. Wondwossen is a Deputy Coordinator of the Project.

Mesfin Getachew: Business person and consultant. Mesfin is a Deputy Coordinator of the Project.

Endalkachew Sime: Secretary General of the Ethiopian Chamber of Commerce and Sectoral Associations

Mahlet Teshome: As a legal professional and a development scientist Mahlet has had the chance to play a key role in providing for critical needs of African countries through the development and analysis of socio-economic laws and policies and support to key international negotiations. Mahlet enthusiastic about building healthy families and healthy societies, mediation and peace-building, environmental issues and socio-economic justice.

Mulugeta Mengist (PhD): Comparative lawyer and economist with about fourteen years of experience in legal and policy research and practice, who also worked as consulting director of climate change affairs in the Office of the Prime Minister of Ethiopia

Blen Fitsum: Prominent media and communications professional who worked as an anchor, senior producer for ETV and BBC World Trust and Communication Specialist for U.S. Embassy, who currently runs her own company - Panorama Media and Communication Services (PAMECOS)

Yasmin Abdulwassie: Working in the development sector for over seven years with experience in international development, Yasmin has a unique capacity to liaise between teams of diverse interest. She is currently country director for an international organization, looking to make an impact in addressing livelihood improvement in Ethiopia through leadership, management, coordination, and exchange of ideas with likeminded positive people.

Monenus Hundara: An emerging professional, who studied political science and federalism in Ethiopia and Europe. He is currently working as Ethiopia Associate Consultant, Trubshaw Cumberlege.

Maeregu Habtemariam, Regional Director for East Africa, Forum of Federations (FoF). Maeregu served as an *ex-officio* member of the Core Team representing FoF and has been very instrumental in connecting the team with important political networks in the country.

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