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5. Commentaries: (1,000-3,000 words)
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## About the Department of Governance and Development Studies (GaDS) and PJGD

Department of Governance and Development Studies (GaDS) is one of the pioneer departments of Jimma University established in September 2007 and functioning as a constituent unit of the College of Law and Governance since September 2014. Since its establishment, the Department of GaDS is playing a vital role in the transformation of society and empowering the government institutions by producing professionals in the area of development and governance. The Post-Graduate Program of the Department clearly states its vision as “The Master of Arts Program in Governance and Development Studies (GaDS) institutionalizes a dynamic and strategic vision to provide an interdisciplinary, advanced, research-based and practical education in contemporary issues of national and international governance and development”. This stated vision at the same time echoes the vision of the Jimma University which “aspires to be one of the premier universities in Africa and renowned in the world by 2025”.

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## **An Assessment of the Magnitude of Divorce and Associated Factors in Selected Woredas of Illubabor and Buno Bedelle Zones, Oromia, Ethiopia**

Chali E. Taye,\* Melkamu S. Abebe\*\* and Endalkachew G. Tsige\*\*\*

### **Abstract**

*Currently, the case of divorce is everywhere in the community and its magnitude is increasing at an alarming rate. The increasing rate of divorce negatively affects the wellbeing of the society, and therefore, its adverse effect would be reflected in the building of a strong nation/state. The main objective of this study was to assess the magnitude and associated factors of divorce in the selected Woredas located in Illubabor and Bunno Bedelle Zones. To carry out this study, a qualitative approach and secondary sources of data were employed. The data collected through interviews and secondary sources were analyzed by thematic analysis and descriptive methods. After analysis, the result showed the increasing rate of divorce cases from year to year. The major causal factors for divorce were found to be economic dependency rather than interdependency, lack of regular source of income to sustain a marriage, addictive behaviors (khat and alcohol), external pressure (from family and peer), poor preparation for marriage and intolerance of religious and interest differences. Since the case was worsening, the government should work cooperatively with civil societies on the root factors to minimize the rate of divorce.*

**Keywords:** *Divorce, Marriage, Family, Society, Ethiopia*

### **Introduction**

Society is the result of a family institution. Family is created through marriage, affiliations, and adoption. Marriage is one of how basic elements of society may be created (Ahalew & Martha, 2009). According to the Family Code of Ethiopia, a marriage shall be based on the free will of the spouses on the legal ground that guarantees the equality of spouses during the conclusion, duration, and dissolution of marriage. For a family to be created through marriage, there should be a union of man and woman (FDRE, 1995; Revised Family Code Proclamation No.213/2000, 2000). Once established, marriage becomes a special complementary relationship in which the state has tried to protect and maintain certain values like economic security, obligation, trust, fidelity, loyalty, affection, equality, personal autonomy (Adshade & Kaiser, 2008). However, there are times when spouses want to separate due to several factors.

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Several studies, from different angles, indicate that there are different factors for divorce. Some of these are bonds between spouses, economic problems; legal, social and moral constraints; and the spouses' relationship (Lamanna & Riedmann, 2003). Furthermore, infertility, absence of love, ignorance, poverty, religious differences, unemployment, and other individual behavior are the main factors (Olaniyi, 2015). There are also studies arguing that change in the culture of marriage and the weakening of the binding strength between spouses as factors of divorce (Olson & Detrain, 2006).

Much empirical evidence shows that there is a general increase in the rate of divorce worldwide though the proportion is higher in developed countries. African countries also manifested greater divorce trends throughout the twentieth century, perhaps the most important factor is the greater social acceptance of divorce (Adegoke, 2010). In Africa, going by the generally expressed rarity of divorce in most traditional settings, for instance, the current situation of conjugal closure among women is considered sociologically significant (Clark & Brauner, 2015). There is a fact that divorce is caused as a result of continued urbanization, and the influence of formal education in Sub-Saharan countries like Kenya, Tanzania, Zambia, Malawi, Mozambique and Ethiopia, the rate of divorce is higher (Adegoke, 2010).

A study conducted by Tilson and Larsen (2006) posited that in South African, for instance, spouses pronounce divorce 1.5 out of 10 couples. The authors also revealed that in Ethiopia, 95% of women who did not have a child within their first marriage divorced within 20 years, 85% of these women divorce within the first 5 years of their first marriage (*Ibid.*). Except in 1994, population and housing census report, there is no statistical report that can show the trend about the actual divorce rate at the national and sub-national levels in Ethiopia.

Nevertheless, the increasing number of divorce in Ethiopia argued to be factors of both internal to the family and external. The reasons peculiar to the situation of the country are job displacement, economic crises, changing attitudes towards divorce, and to a lesser extent ethnic politics (Mokonnon *et al.*, 2019). The study on divorce in Ethiopia showed that the most common reasons women indicated, among the Amhara people in North Shewa province, were childlessness, physical abuse, maltreatment, and extravagancy of husbands, adultery, excessive control as well as a large difference in age (Tilson & Larsen, 2006). The causes for divorce from

the viewpoint of men were childlessness, adultery, incapability of house management and disobeying. The adverse effect of divorce on the spouses, their children and the community is significant. Divorce results in crises as it has psychological, economic and social impacts on the divorcees (Adegoke, 2010; Argaw, 2007). Those separated in divorce often found themselves in loss of hopes, loneliness, fear, and anxiety that might lead towards failure in their endeavors (Amato, 2012).

Most women in Ethiopia are housewives and invest in their marriage as homemakers. Argaw (2007) pointed out that 40% of women have no tangible property to retake during separation. Of those who have tangible property, many of them had only household goods. In the country where spousal support after separation is not secured, divorce results in great loss to economically weak spouse and children. In general, the adverse effect of divorce beyond the couple also affects the general community. Divorce is considered a decline in family life (Lamanna & Riedmann, 2003; Tilson & Larsen, 2006).

Noted from the above discussion, the magnitude, causal factors and its impact on couples, their children and the overall society, it appears that divorce is one of the significant elements of the disintegration of social fabrics that must be dealt with. From various study reports, the emphasis given from public and civil society to preserve marriage seems to be less. In most cases, the issue of divorce is seen as the concern of the couples, whereas its effect is beyond. This is the main rationale that motivated the researchers to assess the magnitude of divorce and associated causal factors in the real context of divorce in the study areas. In doing so, this article describes the prevalence of divorce, the current scenario about the issue and its impact in the study areas.

### **Methodology**

Based on the nature of the study topic, this research applied a qualitative approach. The same approach was adopted for data collections, data analysis and presentation in line with a descriptive case study design. The target population under this study was the separated couples or divorcees and their children, relatives and other members of the society affected by divorce.

For this study, the structural-functionalist theory was utilized to frame the sample on the assumption that most social phenomena have similar effects on the wider society. The sampling

was purposively framed to include elderly people from the community, religious leaders, and divorcees, relatives or close friends of divorcees, social experts and peoples in the legal machinery such as judges and court clients at the different levels of courts in the selected zones. Accordingly, key informants selected purposively were as follows.

**Table 1: Key Informants**

Study Areas		Participants						
Zones	Woredas	Religious Leaders	Elders	Divorcees	Legal Experts	Social Experts	Others	Sum
<i>Buno Bedelle</i>	Bedelle Municipality	6	4	10	2	1	2	25
<i>Illubabor Zone</i>	Bure	4	4	7	2	1	5	23
	Darimu	8	4	6	2	1	3	24
	Hurumu	3	4	9	2	2	4	24
	Mettu Municipality	6	4	8	2	1	3	24
<i>Total</i>		<i>27</i>	<i>20</i>	<i>40</i>	<i>10</i>	<i>6</i>	<i>17</i>	<i>120</i>

Purposive sampling technique was employed, as shown in Table 1 above, *via* separately clustering the administrative geographical location of urban and rural. Accordingly, Bedelle Municipality (urban) from Buno Bedelle Zone, and four Woredas, *i.e.* Mettu Municipality (urban), Hurumu, Bure, and Darimu from Illubabor Zone were selected to compare and contrast the prevalence of divorces in the rural and urban areas.

For this research, primary and secondary sources of data were employed. The primary sources included the empirical data gathered by an in-depth interview with key informants. To supplement the primary data, the researchers reviewed secondary sources such as legal documents, vital events registration agencies, reports from Women and Children Affairs Office, books and journal articles. The data were then analyzed using qualitative tools, thematically organized and descriptively presented. Moreover, the regional, national and international legal instruments along with previous research works were used to triangulate the field data and to support arguments throughout the discussion. The next section presents the data obtained from the field about divorce self-evident in the study area in line with existing literature on the topic. By so doing, the section emphasizes the magnitude of the problems, its causes and effects of divorce as well as their interrelationship.



## Results and Discussion

### The Magnitude of Divorce in Illubabor and Buno Bedelle Zones

Studies reveal that divorce is currently increasing at an alarming rate worldwide. According to the American Community Survey (2009), in the USA only, 47% of children reach age 17 in an intact married family. The same is true for Ethiopia as well for it has become common to hear cases of divorce everywhere. The data obtained from the first instance courts of sample woredas proved the same. In the study area, the magnitude of divorce is very shocking. In the woredas, on average, at least one divorce case appears before a court each day. The key informants from the woredas' first instance courts indicated that the magnitude of the problem has reached the level of risking the very foundation of the community itself. The problem is visible as it is putting the highest pressure on the well-being of the community, whereas the attention given by the community and concerned government bodies has remained minuscule. The available figures obtained from five first instance courts from sample woredas revealed the disparity among the woredas.

**Table 2: Divorce Cases in each Woreda in the Year 2010<sup>1</sup>**

Cases	Mettu	Bedelle	Hurumu	Bure	Darimu	Total
Number of Divorce	291	385	106	163	134	1079
Number of Marriage	1112	1153	985	899	898	5047
Rate of Divorce in Woreda (%)	26.16	33.39	10.76	18.13	14.92	21.37
Woreda's Share out Total	26.96	35.68	9.82	15.1	12.41	100

*Source:* Data Obtained from Each Woreda's First Instance Court, 2010 E.C.

As indicated in Table 2 above, divorce cases presented for adjudication in the sample woredas exhibit some variation. According to the latest data of 2010E.C. from the above five sample woredas, Bedelle stands first covering 35.68% of the total cases of divorce. However, the data indicate that out of 385 cases of divorce in Bedelle, first instance court only 205 cases were adjudicated while the remaining 180 cases of divorce interrupted for different reasons.

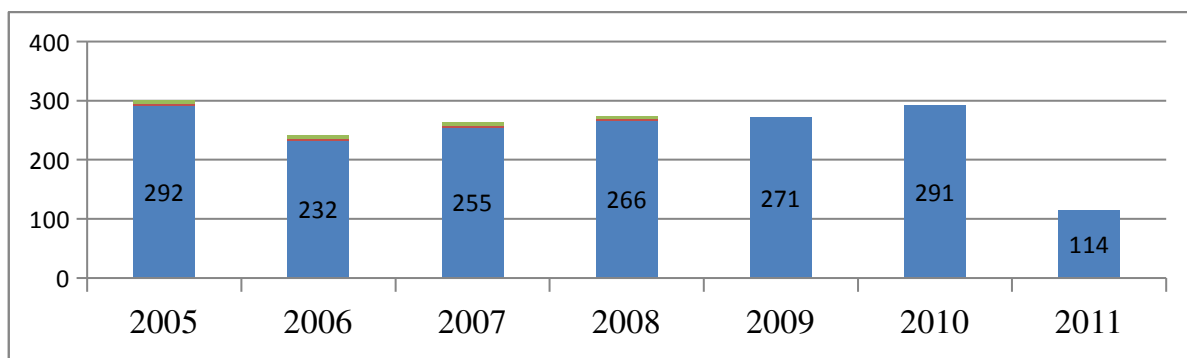
Mettu Woreda shares 26.96% of divorce cases from the sample woredas followed by Bure (15.1), Darimu (12.41%) and Hurumu (9.82%). From the total number of 5047 couples in five woredas (districts), 1079 divorce cases were presented to the court, which was 21.37%. The data

<sup>1</sup> Note that the years used in this data and the analyses thereof are mentioned according to the Ethiopian (Ge'ez) Calendar (E.C.). The 2010 in Fiscal Year in E.C. covers a period from 6 July, 2017 to 30 June, 2018 G.C.

revealed that the level of urbanization directly related to the extent of divorce. The figure shows that Bedelle and Mettu were among the highest whereas Hurumu and Darimu were among the lowest in terms of divorce cases presented to the court in 2010. In the same vein, in terms of urbanization, Mettu and Bedelle come in the front line while probably followed by Bure, Darimu, and Hurumu. Both Mettu and Bedelle, among other things due to their superiority in urbanization, are currently serving as a seat of zonal administration. From a total of 1079 divorce cases presented for the courts of sample woredas, Mettu and Bedelle share 676 or 62.65% of the total cases reported. From table 2, one can easily understand that the magnitude of divorce in the study area was among the highest. Based on the same data, it appears that on average, each first instance court in the sample woredas needs to deal with 215.8 cases of divorce in the 2010 Ethiopian fiscal year.

The prevalence of divorce as a social phenomenon may vary not only from place to place but also from time to time. Accordingly, as we have just indicated cases of divorce in the five selected woredas above, we found that it is important to deal with cases of divorce across the years. For this purpose, we objectively selected Mettu's first instance court to trace back the development of this phenomenon across the years. In this regard, we attempted to gather cases of divorce presented to the first instance courts of Mettu Woreda in the last six years. We have also attempted to incorporate the latest data of the 2011E.C first-quarter reports. The following chart presents cases of divorce presented to Mettu Woreda first instance court from 2005E.C up to December 2011E.C as obtained from record and archival officer.

**Figure 1: Cases of Divorce in Mettu Woreda (2005-2011E.C.)**



Source: Mettu Woreda First Instance Court Record and Archival Office, 2011E.C.

The data presented in Figure 1 above revealed that the problem of divorce is not something incidental for a given year, rather a persistent challenge across years. From 2005 up to 2010, the

magnitude of divorce cases is more or less similar except for variation between 2005 and 2006. The highest divorce cases were registered in 2005 which is 292 and the lowest is 2006 which is 232, the difference being 60 cases. The numbers indicate that there was almost a constant increase from 2007 to 2010. The data obtained in the first quarter of 2011 also revealed the same pattern of increase as the number of cases equivalent to half of 2010 was already reported within four months of the 2011 budget year.

### **Factors Associated with Divorce in Illubabor and Buno Bedelle Zones**

The responses from participants revealed that there were different reasons for the initiation of divorce in their marriage. However, it is very difficult to have a complete list of the causes of divorce. In the study area, among the causes, husband addiction (to alcohol and chat) and infidelity contributed to the larger share. The addictive behavior also exacerbates other causes of divorce, more particularly the economy of the spouses. Thus, economic factors as causes of divorce can be treated both as dependent and independent variables. This, in turn, affects the health conditions of the family as the economy determines the diet and the standard of medical treatment. On top of these, health problem related to women infertility has its root in the community as causes of divorce. Besides, pressure/interference from friends and families has also been reported as causes of divorce in the study area. Generally, for the sake of convenience, we can discuss the causes of divorce under two broad categories: economic and social factors.

#### ***Economic Factors***

The economic factor amounted to the dissolution of a marriage between spouses. According to the key informants, comprised of legal and social experts, economic factors lead to divorces in three different ways. Firstly, budget deficit contributed a lot to the dissolution of marriage. This has especially happened in our study area when couples get married based on their temporal conditions such as seasonal income without having enough income sources that can sustain them together. On such occasions, the male partner often leaves home letting the female partner alone thereby motivating her to finally terminate the marriage due to lack of income and get back to her parents.

Secondly, high seasonal income, especially in the aftermath of harvest, also led to the dissolution of marriage in the study areas. This experience is common particularly for male partners who can

generate excess temporal income resulting in an addiction to different ill social behaviors such as khat/chat chewing and alcoholism. It is such behaviors that often precipitate the development of mistrust between spouses and finally lead to marriage termination. For instance, alcoholism pronounced disagreements among partners and their parents. Lastly, the income difference between spouses contributed to divorce as an economic factor. While pointing out other economic dimensions of divorce, elders informed that there are instances when female partners initiate divorce as a means of sharing the husband's resources.

The study also found out that marriage concluded among couples who are dependent on their families' economic resources in a time of marriage are more exposed to divorce. On top of this, disparities among the two families in terms of economic status also found to be another cause of divorce in the study area. The economic difference often exposed couples to different styles of life in their respective home. In some cases, newly married couples wanted to maintain the previous ways of life in the new one, thereby creating disagreement finally leading to the dissolution of the marriage. Thus, as "money makes right" and the economy determines the basic aspects of human life, economic factors seem to be taking a lion's share in the dissolution of marriage in the study area.

### ***Social Factors***

In the study area, just like other parts of Ethiopia, marriage is not a mere union of two individuals. The two spouses enter into marriage with all their previous interactions and relationships with their families and relatives. Some families continue to deeply engage in the life of their children even after marriage. This is well explained by most of the interviewees comprised of divorcees as their family started managing them even after the wedding. They pointed out that marriage which is highly interconnected with relatives is prone to divorce. If the spouse fails to manage the interference of their families, relatives, neighbors, and friends on private matters, the marriage might end up in divorce.

Diversity in terms of religion, ethnicity, culture and social status between the families of the two spouses also contributed to the dissolution of marriage. Elders further informed that newly married couples often suffer from the inability to manage diversity. The study has shown that marriages between two distinct cultures have a higher probability of dissolution than marriages

within the same culture. In the study area, religion as part of culture also played a significant role both in unloosing or losing the marriage ties. A marriage concluded within the members of the same religion has a higher probability to remain intact than marriage among members of a different religion. Therefore, social factors and diversities among couples and/or their families contributed to the dissolution of marriage.

Participants comprised of religious leaders and divorcees also underscored that infidelity has become a cause for the dissolution of their marriage. According to one of the religious leaders, misinformation to spouses by neighbors and relatives also caused divorce by producing mistrust and betrayal among couples. This disruption of normal family life has finally led to divorce and personal demoralization. Legal experts further strengthened the above discussion indicating that, besides factors such as addiction, husbands' engagements in gambling and bigamy are also among the principal causes of divorce in the study area. Bigamy often led to the deterioration of marriage life by reducing the frequency of contact between husbands and one of the two spouses that might be accompanied by abusing her physically, resulting in the termination of marriages.

### **The Effects of Divorce in Illubabor and Buno Bedelle Zones**

The effect of divorce in a given society ranges from mild to severe, from seemingly small to observably significant, and from short-term to long-term. The degree of the effect varies from person to person as well as from community to community among others mainly due to socio-economic conditions and the inability to deal with difficulties. There is no way to predict how any particular person will be affected by divorce, nor to what extent. Yet, it is not impossible to predict the societal effects of divorce and how this large cohort of divorcees and children will be affected as a group. These effects are both numerous and serious.

#### ***Effects on Divorcees***

The participants were asked about the social impacts of divorce they experienced after the marriage was concluded by separating the spouses either legally or culturally. The informants indicated that their condition especially that immediately follows the divorce is much difficult to describe. The community by whatever means attempts to invalidate the decision arrived by the spouses. No matter what the decision is made by a formal court or any customary institution, divorce by itself is regarded as violating the norms of the community. Due to this fact, divorce

usually, if not always, followed with some degree of rejection from the community. The stories of interviewed women revealed the same fact. However, in most cases, the community is paradoxically very friendly with the divorced ones and attempts to fill the gap created due to the divorce arrangement. Thus, divorce resulted in two different situations to female and male, hostile environment to women and pitying heart towards the male.

The interview with one of the divorced women illustrates this fact:

*Divorce to me is not a mere separation of husband and wife. I have got divorced not only from my ex-husband but also from my children, family, neighbor and the community at large. Due to my economic status, I was forced to give up my children, relations with my neighbors also interrupted, some members of the community considered me as the only cause for the breakup of the marriage and even my families regarded me as incapable of shouldering the responsibilities of marriage. On the contrary, the community and the nearby neighbors, in particular, show a pitying heart to my ex-husband and they attempt to support him in all his difficulties. Putting aside the rest, even if you assume both of us responsible for the breakup of the marriage, we are receiving different treatments from the community. In our community, the social sanction differs when it applies to females and males [Translated to English by the Authors].*

In most cases, isolation is used as a social sanction by the community to punish divorcees. The isolation begins from the divorcee women themselves. Following the dissolution of the marriage, most women begin to retreat from their previous social responsibilities. The community members consider them incapable of shouldering social responsibility as they dissolved marriage, the first and basic social institution. As a result, divorced women face the fate of social exclusion from their married friends intending to prevent the further dissolution of marriage. This is because the community believes that divorcees spread their inappropriate behavior to other women who are living by respecting their marriage and family. Several interviewees reported that they lost many of their friends because of divorcees. Many of them were also unwilling to stay in contact with their friends.

In this regard, one of the interviewees remembered the time of her separation as follows:

*The next day after the divorce took place, I noticed something unpleasant on the faces of my friends and neighbors. I used to observe them frequently discussing something and they often quit it or minimize their voice or keep silent altogether every time I visit them. Then, I realized that I was the point of discussion. Some women also talk to me by exaggerating the situation. Some others also try to give me unusual care which I have never seen before. Activities like this became a source of anxiety that fuelled the process of divorce. Due to this, I started to isolate myself from my previous friends including some of my family and relatives [Translated to English by the Authors].*

Although divorced spouses are paying back due to these social sanctions, interviewed elders in the study area took the position that the social sanction is no longer working due to the ‘defunct elements of modernity.’ According to one of our elder informants, who stayed for 43 years in marriage, the main cause for the widespread of divorce is the erosion of social values. He goes on to say:

*During our time, marriage is a respected social institution for the sake of God, law and the community. Divorce is socially denounced in the eyes of the community and also believed to be sinful before God. Even, the legal system attempts to keep the marriage intact. But as time goes by, we reached on your defunct modernity. Now, the new generation of yours, in the name of freedoms and personal rights, came to regard marriage just like a theatre. Instead of putting sanctions on the divorcees, the community entertains from the theatre of divorce arrangements for free. The community, religious leaders and the legal system shifted their role from protecting marriage towards serving as a platform for divorce arrangements. As a result, there are cases in which you can hear the news of divorce arrangement ahead of the wedding ceremony [Translated to English by the Authors].*

### ***Effects on Children***

When parents get divorced, another sort of divorce occurs between the parents and their children. The data revealed that in the study area alone each year over 1700 children are subject to sufferings due to the divorce of their parents. In most cases, when the marriage is concluded with divorce either through legal court or traditional means, the children are required to opt for one of their parents. According to key informants from the judicial bodies in the sample woredas, there are also cases whereby the children were put under guardians separating them from both parents. In a situation where the woman spouses are not economically independent, divorce imposes even a bigger challenge on the children. According to legal experts, during divorce, children are guaranteed the right to choose from either of the parents to live with. In most cases, children preferred their mother to live with. However, in the study area, the male partner is considered as a breadwinner and the woman partner is a home keeper reducing woman’s role only to reproductive activities, while the male participates in productive activities. Even if women are engaged in more challenging and demanding activities, their work is not considered as valuable. This unfair division of labor has made women economically subordinate to men. As a result, when children choose their mother, the burden goes to her, while the economic resource remains with the male partner.



To overcome this effect, the court or any third party involved in the process of a divorce tries to convince the male partner to share some of his income in the form of compensation or service charge in upbringing the children. However, according to our key informants, deciding the issue is not as such an easy task. This is mainly because most of the people in the study area are farmers. They do not have a fixed amount of monthly or yearly income. Besides, the means of implementing the decision is also very difficult. For instance, if any person who has a monthly salary engages in some kind of divorce arrangement, the court could make a decision that directs a portion of the ex-husband's monthly salary to the mother for the maintenance of children and this can be enforced by a simple court order to the employer. Yet, lack of clear mechanism of managing such problems has made divorcee women suffer even more than others when the male partner is a farmer or a daily laborer.

The aforementioned economic problems of the mothers are responsible factors in deciding the future fate of the children. The interview result conducted with social affairs officers in the woredas showed that if the child opts for a mother with a reasonable income, the future of the child is somewhat predictable. Having or not having a source of earning or income has affected health, education, diet, psychology, behavior and so on. Its effects are observable on children's body and mind, and it may range from mild to severe, from seemingly small to observably significant, and from short-term to long-term. It may cause short-lived or enduring troubles in the children's quality of life. The fact that the future of the child is highly dependent on the care received during childhood, divorce puts someone on a descending path from which he/she might never fully recover. This long-lasting effect of divorce on the life of children has been well noted from the discussion we held with officers of social affairs in the sample Woredas.

The data reveal that the number of children who need the support of the government is increasing from time to time. Among those children, the majority are exposed to such problems as a result of the breakup of a marriage. Different studies, such as Xie *et al.* (2019), show that the support that children with divorced families receive from home is rated much lower than children from intact homes, and these negative ratings become more pronounced by the time children are in high school and college.

Education prepares children for future requirements. However, children who suffer from the stick of divorce may have no, little or disrupted education. Divorce diminishes children's



learning capacity and educational attainment. As a result, they may lack the necessary knowledge, attitudes, and skills to socialize as well as to lead their life independently. Thus, divorce reduces children's future know-how in all five of the society's major tasks or institutions: family, school, religion, marketplace, and government. As key informants indicated, the family is a place in which we can start to exercise our future responsibilities and divorce takes away this fertile field letting the children on the street to harvest behaviors that are against the norms of the community. The representative of structural-functional theory, Parsons and Bales (1955) argued that one of the basic functions of the family is to serve as a stable, organically integrated "factory" in which human personalities are formed. Similarly, social learning theory emphasizes the importance of role models, focusing on parents as the initial and primary cultivators of child behavior (Bandura & Walters, 1963).

To sum up, although the effects of divorce on the divorcees, relatives, neighbors and community at large differ, there is no doubt that divorce imposes severe harm to children. These effects are both numerous and serious particularly when they are accompanied by a poorly functioning economy both at an individual, family, community and/or national levels.

### *Effects on Community at Large*

The separation of couples affects the community in different ways. The effects of divorce in society can be both concrete and insubstantial. Some of the effects of divorce on the community are easily noticeable, while others remain invisible unless examined critically. As the first and the basic unit of the community, any threat against the wellbeing of the family is directly related to the community at large. The stable community can only be built if there is a stable family. The healthy functioning of other parts of society is also determined by the extent to which the family performs its social responsibilities. Morally good people are brought up in a morally good family. Divorce negatively hurts the norms and values of the community as it results in the rampancy of ill social behaviors such as sex trade and prostitution. Even, religious values are well-practiced in a stable family than others. Marriage dissolution diminishes the frequency of worship and recourse to prayer.

In terms of education, divorce diminishes children's learning capacity and educational attainment. As far as the economic aspect is concerned, divorce reduces household income and

cuts individual earning capacity. The inability to pay further affects children's health, which in turn increases behavioral, emotional and psychiatric risks that may, sometimes, lead to suicide. Divorce allows the divorcee male partner to look for sex with more women after the divorce which in turn affects the health status of the male partner and his life expectancy by exposing him to sexually transmitted diseases. Generally, divorce imposes significant effects on the overall aspects of the community by increasing crime, abuse and neglect, drug use, and the costs of compensating government services. The community suffers from these problems directly by becoming a victim of the crime and immoral acts or by mobilizing resources to handle the problem and its consequences.

The separation of couples consumes social and human capital. Family as the basic social institution is expected to provide practical experience for future roles. Social values, such as sympathy, caring for others, supporting each other, coaching and supervising behavior, cooperation and tolerance are learned in the family. Divorce obliterates this opportunity for married couples and their offspring.

Divorce also impacts human capital in various ways. It undercuts the productive capacity of the divorcees. Temporarily, the couples may be preoccupied with issues related to divorce instead of their actual business. Divorce arrangement needs a prolonged discussion and dialogue. This discourse consumes time, resource and energy. Therefore, the human capital that is expected to contribute to society's improvement will be found dealing with matters related to divorce. On the other hand, the community's future human capital is supposed to be produced in the family. Family can be treated as a source from which the community can extract the human capital that is important to realize societal endeavors and responsibilities. However, divorce negatively affects this role of the family in two important ways: first, by undercutting the fertility rate of the family thereby reducing the number of children, and second, by disturbing the upbringing of children to fit future demands of the community and societal expectations.

The study also revealed that divorce overburdens society as a significant number of children are found to be orphans after any kind of divorce arrangement. The community provides institutional protection for its members. As part of this responsibility, it becomes mandatory for the community to take care of these children. In the study area, governmental institutions as formal bodies of the community are trying to cope with these problems.

However, the magnitude of the problem has undermined their efforts. In addition to governmental institutions, the community is also dealing with the problem directly. As a result, the economic resources which may be used to alleviate certain societal problems are used to support orphans. This condition overburdens the society into two important ways: by increasing the cost to the taxpayer and diminishing the taxpaying portion of society. In general, the study showed that divorce diminishes children's future competence which in turn profoundly affects the social fabric of the community.

### **Conclusion and Recommendations**

The results of this study showed that the rate of divorce was increasing with 21.37% concerning marriage conducted within five woredas/districts. They also vary among woredas/districts based on their geographical locations of urban and rural. They showed that the rate of divorce was high at zonal towns and surroundings than rural towns. For instance, from this study, the rate of divorce in the two zonal towns of Bedelle and Mettu in the year 2010E.C was 385 (35.68%) and 291 (26.96%) respectively. They were high in rate while compared with rural woredas of Bure 163 (15.1%), Darimu 135 (12.41%), and Hurumu 106 (9.82%). To show the changing rate of divorce from year to year, Mettu town was purposively selected to indicate the variations. Accordingly, the data obtained from documents or the cases presented to the court back to six years in the Ethiopian calendar showed that there has been a continuously increasing trend from 2005E.C. to 2011E.C., which indicated that the community is in danger. From the data obtained from the documents or cases presented to the court and interview, the study found out that the factors associated with divorce are primarily economic. Some of these were addictive behavior of husband by khat/chat and alcohol, unemployment of wife, lack of secured sources of income to sustain the marriage and facing divorce at early marriage. The second falls under social factors, such as the difference in religion, interference by family or relatives and infidelity of the married partner. This study, furthermore, pointed out that divorce has the consequence of divorcees, social adjustment, children's wellbeing and the community at large.

Based on the findings, the researchers forwarded six points of recommendation. First, the religious institutions collaborating with the social sectors of the government should work towards minimizing the triggering factors or root causes which may lead to divorce. Second, the government should consider the age groups, and the partners should think about the sources of

their income before entering into marriage. To do so, the civil societies and the government should collaborate to plan and work on teaching about ‘what and how’ of the marriage life. Third, the couples should get lessons formally or informally concerning the value of marriage for the family, children, community and healthy social life. Fourth, social institutions, government bodies, and civil society should work on awareness for marriage plans or in a relationship on resisting pressure from family or any other sources. Fifth, as a policy issue, the liberal approach of the family code or law concerning its openness for divorce should be reviewed. Finally, it is recommended that family education should be incorporated into the curriculum to properly nurture youngsters.

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## **Berlin Wall to Mexico Wall: The Drama of Neoliberalism**

Minhaj Alam\* and Fikadu T. Ayanie\*\*

### **Abstract**

*This article is meant to analyze the origin, evolution and current status of neoliberalism with special focus on the shift that has been observed in the main-stream political ideology of capitalism. An explanatory research approach was employed by relying on secondary sources of data to explain the rise and fall of neoliberalism and its dynamics and uncertain journey in an allegory of destruction of the Berlin Wall to the construction of Mexico wall. The review revealed that the neoliberal ideology which was once projected as a panacea for the liberation of human dignity, autonomy, choice, voluntary exchange, freedom to compete in markets and personal empowerment is no more relevant and workable as it was during the 1970s. The shreds of evidence further brought out that champions of neoliberalism were more engaged in the arms race, religious polarization, terrorism vs. anti-terrorism, mainstream ideological rivalry, politics of oil under the garb of democracy and market economy. A paradigm shift was also observed as a hallmark in this paper when the messiah of neoliberalism shifted to protectionism which is symbolized by the strong zeal to construct the Mexico Wall. This paradigm shift took place now when free-trade ideology started to signify a trend of integration among the countries of the South and when a significant rise of Emerging Markets has been taking place. It concluded that the holiness of market-oriented ideology proved to be an unholy affair.*

**Keywords:** *Neoliberalism, Berlin Wall, Mexico Wall, Protectionism, Capitalism*

### **Introduction**

History of the world is the witness of the exploitative nature of capitalism since its inception. Several scholarly works have described the phenomenon of capitalism as in *Imperialism, the Highest Stage of Capitalism* (Lenin, 1916), *World Accumulation* (Frank, 1978), *The World Economy: A Millennial Perspective* (Maddison, 2001), *The Development of Underdevelopment* (Frank, 1966), *Unequal Development* (Amin, 1973), *The Modern World System* (Wallerstein, 1974), *The New Imperialism* (Harvey, 2003), and the lists are stretching. ‘Neoliberalism as Concept’ which provides the critical dimension based on its conceptual evolution (Venugopal, 2015) and the division of world economy into four income groups – high, upper-middle, lower-middle and low<sup>1</sup> (World Bank, 2019) could also be mentioned in this regard. However, for this

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<sup>1</sup>For the current 2019 fiscal year, low-income economies are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of \$995 or less in 2017; lower middle-income economies are those with a GNI per capita between \$996 and \$3,895; upper middle-income economies are those

work, it is the analysis of the genesis and evolution of neoliberalism that matters the most. Since the 1970s, a series of events provided the impetus for propagating, justifying and institutionalizing the emergence of a kind of integrated global economy under the reinvented philosophical pretext of neoliberalism. Jones (2012), the renowned economic historian, persuasively argues that the culmination of neoliberalism is neither due to the failures of the Keynesian model of welfare state nor to a master plan pushed by the agents of capital. According to Harvey (2005), neoliberalism is the intensification of the influence and dominance of capitalism based on the construction of consent between two major powers – America and England. The chain of events of 1970, the prominent among them was the decline of the fixed regime, the oil embargo, current account debts to oil-importing countries, restructuring of Bretton Woods Institutions and reinventing liberal ideology collectively culminated to proclaim the end of ideology and the victory of western capitalism (Jones, 2012). A series of more or less *ad hoc* moves on the part of politicians, activists, media figures and economists in response to political and economic shocks that began in the 1970s provided a futile ground for its final eruption in its third phase – 1980s onwards, while the first lasted from the 1920s until about 1950 and second phase of neoliberalism lasted from 1950 until the free market ascendancy of Thatcher and Reagan in the 1980s (Jones, 2012).

The third phase of neoliberalism, after the 1980s, was driven by the advance of an agenda of market liberalization and fiscal discipline into development and trade policy. Neoliberalism broke out of the predominantly Northern Atlantic and Western European confines of elite academia and domestic politics and spread into global institutions, especially in the former communist countries and the developing world. Its principles were adopted by economists and policymakers of the International Monetary Fund (IMF), the World Bank, the World Trade Organization (WTO), the European Union (EU), and the North American Free Trade Agreement (NAFTA). The 1980s and 1990s were notable for the notorious ‘structural adjustment’ policies pursued through these institutions and agreements (*Ibid.*). These principles were encapsulated by the British economist John Williamson (1989) as the so-called ‘Washington Consensus’ that included the ten sets of policy recommendations, often conceived by aid recipient countries to be far more difficult to implement than the ‘Ten Commandments of God’ (Urio, 2012).

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with a GNI per capita between \$3,896 and \$12,055; high-income economies are those with a GNI per capita of \$12,056 or more (World Bank, 2019).



Another major event that accompanied this third phase, but also symbolized the end of the cold war, was the fall of 155 km long Berlin Wall on 9 November 1989 when the head of the East German Communist Party announced that the citizens could cross the border to West Germany whenever they want (Hofmeister, 2009). After the fall of the Wall, there was a celebration among western countries and scholars like Francis Fukuyama who has suggested that modern Western history can and must be told as the one which recognizes the triumph of liberal capitalist regimes (Fukuyama, 1992).

All these cumulative events provided a prolific ground for the construction of consent and a solid program for deep penetration and elevation of capitalism into those political and social institutions which were otherwise non-capitalist in their orientation. It was a project to strengthen, restore, or, in some cases, constitute anew the power of economic elites – a tendency to form global capitalist partners. The set of variables mainly from the political, economic, social and national security domains were selected and targeted based on specific needs and tastes of the country to justify the penetration. Harvey (2003) pointed out that the global expansion of capital is premised on what he termed ‘accumulation by dispossession’. He argued that accumulation under globalization continues to expand by dispossessing people of their economic rights and various forms of ownership and economic power.

It is rather the accession Donald Trump to the power that made the above viewpoints practically self-revealing, when he prioritized, among his several protectionist agendas, to erect the wall between the USA and Mexico. He signed an executive order authorizing ‘immediate’ construction of a wall along the USA-Mexico border, followed by another executive order temporarily prohibiting refugees and citizens of seven predominantly Muslim countries from entering the USA and blocking indefinitely the Syrian refugees at the time when activists, from Greenpeace, were demonstrating a message reading ‘Mr. President, walls divide; Build Bridges!’ (Waxman, 2017). This is a clear act that symbolizes the fact that the real champions of neo-liberalization and globalization have shown less enthusiasm with depletion of interest contrary to what they had for about four to five decades ago. In their justification, they reflected the enthusiasm and celebration of neoliberalism, expansion, consolidation and unilateral imposition by adopting the violent means of war, regime change and militarization of the world.



It is against the aforementioned background that this article is designed to meet the following objectives. The prime objective is to analyze the genesis and evolution of neoliberalism and its drama, evidently explained rather by the allegory of destruction and construction of walls. Secondly, it aims at unmasking the underlying causes for the shifting paradigm, from expansionary to contractionary process, and the consequences thereof. In the meantime, it also purports to vindicate the ideological confusion, evident in the rise of protectionism, among the champions of neoliberalism. To do so, the authors have relied essentially on secondary data obtained from the literature of the international political economy and utilized the qualitative approach of data analysis.

### ***Neoliberalism: The Concept Itself***

David Harvey (2005), in his book *A Brief History of Neoliberalism*, defined the term ‘neoliberalism’ as ‘a theory of political [and] economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade’ (2005, p. 11). Martinez and Garcia (1997) contend that ‘neoliberalism’ refers to:

*set of economic policies that have become widespread during the last 25 years or so. Although the word is rarely heard in the United States, you can clearly see the effects of neo-liberalism here as the rich grow richer and the poor grow poorer [...] Around the world, neo-liberalism has been imposed by powerful financial institutions like the International Monetary Fund (IMF), the World Bank and the Inter-American Development Bank....the capitalist crisis over the last 25 years, with its shrinking profit rates, inspired the corporate elite to revive economic liberalism (laissez-faire economy of Adam Smith). That’s what makes it ‘neo’ or new.*

The authority of neoliberalism, in the words of Mitchell (2008, p. 1119), is ‘neoliberal economics,’ which claims ‘that the right of private property is the fundamental requirement for economic development, and that the citizen of the third world is a natural entrepreneur, held in poverty by an over-bureaucratized developmental state’.

Critical scholars have argued that the truth obscures the underlying reality of neoliberalism as an intellectual, political, or class project. Dean (2014, p. 153) has, thus, written of neoliberalism as a ‘doctrine of double truths’, whose public face of economic knowledge functions to mask and legitimize the underlying aims of a ‘militant movement’. By drawing a strict distinction between facts and values, expert rule and politics, neoliberal expertise depoliticizes government policy

and naturalizes technocratic government, thereby undermining democracy. As Davies (2014, p. 3) has put it, neoliberalism is ‘an attempt to replace political judgment with economic evaluation’; its defining feature is its ‘hostility to the ambiguity of political discourse, and a commitment to the explicitness and transparency of quantitative economic indicators, of which the market price system is the model.’ Neoliberalism is the ‘pursuit of the disenchantment of politics by economics’ (*Ibid.*, p. 4).

Foucault (2008) observed that neoliberalism is a programming of government that makes it possible to govern without having to know the truth, or makes it possible to govern through a different and more limited truth that can better, or at least differently, reconcile the competing imperatives of expert government and democratic choice. He further clarified that ‘neoliberalism is not Adam Smith; neo-liberalism is not market society; neo-liberalism is not the Gulag on the insidious scale of capitalism. Neoliberalism should not, therefore, be identified with the laissez-faire, but rather with permanent vigilance, activity and intervention’ (Foucault, 2008, p. 131). Chomsky (1999, p. 20) critically observed that these international financial institutions are at the core of a ‘*de facto* world government’ of a ‘new imperial age’. He further explained that the ‘principal architects’ of the neoliberal ‘Washington Consensus’ are the masters of the private economy, mainly of the huge corporations, that control much of the international economy and have the means to dominate policy formation as well as the structuring of thought and opinion (*Ibid.*).

Saad-Filho and Johnston offered a classic outline of expansive neoliberalism as ‘a hegemonic system of enhanced exploitation of the majority’, as ‘a global system of minority power, the plunder of nations and despoilment of the environment’ (2005, p. 6). They also noted that it is not difficult to recognize the beast when it trespasses into new territories, tramples upon the poor, undermines rights and entitlements, and defeats resistance through a combination of ‘domestic political, economic, legal, ideological and media pressures, backed up by international blackmail and military force if necessary’ (*Ibid.*, p. 2). This necessitates revisiting the intellectual and ideological genesis of neoliberalism.

## The Intellectual Genesis and Evolution of Neoliberalism

The intellectual and historical context of neo-liberal ideology has culminated in its last phase from the 1980s onwards. The first phase, from the 1920s until about 1950, sets out the intellectual context within which the seeds of neo-liberalism germinated, by highlighting the apparent decline of laissez-faire liberalism during the first half of the twentieth century – with particular reference to J. M. Keynes’s celebrated lecture ‘The end of laissez-faire’ in 1926. This lecture can be seen as one of the first works signaling the paradigm-shift, from the liberal world of the nineteenth century to the managed world of the twentieth followed by the works of Joseph Schumpeter and Karl Polanyi (Turner, 2008). Intellectual genesis can be traced back when scholars like F. A. Hayek and others reflected their concerns about the declining trend of the ideals of liberalism that had been driven out of history by a chain of events that had slowly transformed the ideological precepts of the previous political era. In 1946, while at the London School of Economics, he wrote that not only would ‘the whole relation between governmental coercion and individual freedom require re-examination’, but also current views of history would have to be revised, ‘if the dominant beliefs and misconceptions are not to drive us even further in a totalitarian direction’ (Cockett, 1994, p. 103).

The international meeting-ground for anti-collectivists and liberal sympathizers envisioned by Hayek came into being in 1947 as The Mont Pelerin Society (MPS), named after its first meeting place. Society was a culmination of the efforts made by liberal intellectuals since the 1930s to keep the small flame of free-market economics burning in the wilderness of collectivism. In classical liberalism’s darkest hour, the MPS sought, in Max Hartwell’s apt military metaphor, to ‘save the flag’ and ‘renew the attack’ (1995, p. 17). The founding meeting of the MPS took place in 1947 and was attended by thirty-eight individuals, almost all of whom were academics and intellectuals like Lionel Robbins, John Jewkes and Michael Polanyi from Britain; the Austrian émigrés Ludwig von Mises, Karl Popper, Fritz Machlup and Hayek himself; Milton Friedman, Frank Knight, Henry Hazlitt and George Stigler from The United States; Wilhelm Röpke and Walter Eucken from Germany; and Maurice Allais and Jacques Rueff from France (*Ibid.*, p. 45).

During the first twenty years of its existence, the MPS, through its important intellectual contacts, established a variant of liberalism – ‘Mont Pelerin liberalism’, as Hartwell terms it – a counter-ideology to collectivism. Hartwell sets out the central tenets of ‘Mont Pelerin

liberalism'. Basic to this strand and to 'its worldly realism', he writes, 'is respect for the individual and concern about threats to individual autonomy. To achieve and protect this liberty, Mont Pelerin emphasized the need for two institutional safeguards: the limited state and the free economy' (Hartwell, 1995, p. 222). This stream of the thought expressed through think-tanks and political parties in specific national contexts originated as a counter-movement, in reaction to the various forms of collectivism and inevitably became part of the corpus of neo-liberal ideology.

The second phase of neoliberalism as discussed in the introduction above lasted from 1950 until the free market ascendancy of Thatcher and Reagan in the 1980s. At the zenith of New Deal Liberalism and British social democracy, when neo-Keynesian approaches to the economic policy were at their height, much of this period was a superficially lean time for neoliberals. Outside Germany, they lacked concrete political success in the 1950s and 1960s. Instead, neoliberalism generated intellectual coherence and political maturity. It grew into a recognizable group of ideas, and also into a movement. An increasingly confident group of thinkers, scholars, businessmen, and policy entrepreneurs developed and refined a radical set of free-market prescriptions and promoted their agenda. Ironically, it was also in this period that the use of 'neoliberal' by its proponents became less common. This was odd at a time when American neoliberal thinkers, in particular, were defining it ever more precisely in the spheres of industrial organization, monetary policy, and regulation. But this was probably because the term 'neoliberalism' itself meant little in an American context.

The American variant of liberalism represented by the Chicago Approach was methodologically characterized by of 'positive economics,'<sup>2</sup> out of which emerged Friedman's 'revival of monetarism'<sup>3</sup> and Stigler's (1971) 'The Theory of Economic Regulation,' in which he presented evidence for his 'capture theory'. The basic logic behind the capture theory of regulation is that while the general public is largely ignorant of the regulator's activities, those in the regulated industries are well-informed. Furthermore, information about regulated industries is largely

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<sup>2</sup>Positive economics, as opposed to the normative one, is the study of economics based on objective analysis, not a value judgment, taking into account things that are actually occurring in an economy as the basis for any statement about the future (Friedman, 1970).

<sup>3</sup>Milton Friedman who is 'generally regarded as monetarism's leading exponent' (Encyclopaedia Britannica, 2019) argued that Keynes was wrong in his excessive expansion of the money supply which would inherently lead to price inflation. He said that the antidote to inflation was higher interest rates. That would reduce the money supply. Prices would have to fall as people had less money to spend. If the Central Bank properly managed the money supply, it would create a Goldilocks economy. That is low unemployment with an acceptable level of inflation (Friedman, 1994).

under the control of those in the industry, and personal connections between regulators and the regulated also influence regulatory outcomes. The result is that regulatory agencies act as agents of those they regulate, not the general public. Stigler's 'capture theory of regulation' concludes that regulators end up regulating industries in a way that benefits the regulated industry, rather than the general public (*Ibid.*). This empirical bent was allied to new theories and research endeavors, subsidized by sympathetic business finance developed in the 1950s and 1960s, about the relatively harmless nature of monopoly and the positive role of large corporations. From the Chicago perspective, the more worrisome manifestation of monopoly was trade union power because labor unions exercise powers that restrain trade, powers granted to them by prior legislation, and that they coerce members and nonmembers. Unions, thus, use coercive means 'to force unwilling workers into membership and to keep non-members out of employment' (Miller, 2010). Hayek argued that "coercive unionism, despite its claim to benefit all workers, serves the interest of a particular group. It increases real wages for organized workers, but pits them against others who 'will find employment only in the less highly paid jobs' or else will not be employed at all" (*Ibid.*, p. 161).

In sharp contrast to Chicago School was the European neoliberalism. For example, ordoliberalism is the German variant of social liberalism that emphasizes the need for the state to ensure that the free market produces results close to its theoretical potential. Ordoliberals promoted the concept of the social market economy. This concept promotes a strong role for the state concerning the market, which is in many ways different from the ideas connected to the term neoliberalism. Oddly, the term neoliberalism was originally coined in 1938, at the Colloque Walter Lippmann, by Alexander Rustow, who is regarded as an ordoliberal today (Beck & Kotz, 2017).

The work of Chicago economist Friedman's *Capitalism and Freedom* (1962) and his polemical arguments as 'what can you do for your country' imply that government is the master, and the citizen is the servant. The freeman will ask neither what his country can do for him nor what he can do for his country. He will ask 'What can I and my compatriots do through government' to help us discharge our responsibilities, to achieve several goals and purposes, and above all, to protect our freedom? He argued that a socialist society could not be democratic, in the sense of guaranteeing individual freedom. Freedom in economic arrangements is itself a component of

freedom. Therefore, capitalism is a necessary condition for political freedom. He argued that capitalism is not a guarantee of human freedom. It is only ‘competitive capitalism’ that serves fundamentally as a means toward human freedom or civil freedom, which we regard as the ultimate objective. That is why Friedman never referred to ‘capitalism’ alone – but to ‘competitive capitalism’ to make the distinction. Another leading libertarian along with Milton Friedman, George Stigler, and others, was Friedrich August Hayek who formed the Mont Pelerin Society so that classical liberals could meet every two years. In his book, *Road to Serfdom*, Hayek (2005, pp. 40-41) wrote that:

*Democracy is an obstacle to the suppression of freedom which the centralized direction of economic activity requires. Hence, arises, the clash between planning and democracy. It is entirely fallacious to argue that the great power exercised by a central planning board would be ‘no greater than the power collectively exercised by private boards of directors’[...] the competitive system is the only system designed to minimize the power exercised by man over man [...] the power which a millionaire, who may be my employer, has over me is very much less than that which the smallest bureaucrat possesses who wields the coercive power of the state and on whose discretion it depends how I am allowed to live and work?[...] Our generation has forgotten that the system of private property is the most important guarantee of freedom. It is only because the control of the means of production is divided among many people acting independently that we as individuals can decide what to do with ourselves. When all the means of production are vested in a single hand, whether it be nominally that of ‘society’ as a whole or that of a dictator, whoever exercises this control has complete power over us[...] it creates a degree of dependence scarcely distinguishable from slavery. It has been well said that, in a country where the sole employer is the state, opposition means death by slow starvation.*

In a nutshell, the Keynesian model of short-term economic growth which overcame the challenge of the Great Depression in the 1970s saturated. The emphasis over the demand side only led to an excessive expansion of the money supply, which would inherently lead to price inflation. Besides this fundamental problem in US economy as observed by the proponents of classical liberalism, the decline of Bretton Woods System together with the end of the fixed regime, hegemonic stability (Keohane, 1980) and the rise of Japan and OPEC coincided with Arab Oil Embargo, declaration of New International Economic Order, restructuring of world trade, Third World debt crisis especially from those developing countries which were highly dependent on oil energy provided the impetus for the rebirth of classical liberalism – so-called neoliberalism. Furthermore, these cumulative and dramatic international events of the 1970s changed the course of history in the shifting dimension of the North to South - its power, its strategy, its energy, its

dependency, its competency and pattern of cooperation and relation especially with those of the Middle East Countries (Israel to Arab) and competition principally from the Japanese.

Onwards the 1970s, the elites of many Third World countries had borrowed as much as they could to finance development projects. Kojm (1984) argued that Third World and Eastern European countries' debt tripled to a total of \$626 billion between 1976 and 1982. In the meantime, especially in 1973, OPEC raised the price of oil from \$3.01 to \$5.12 a barrel and shortly thereafter increased the price to more than four times the original level. Many non-oil-producing Third World countries were left without sufficient means of paying for oil imports, on which their economies were heavily dependent. These conditions produced a massive shift in the geography of international payments. Oil-producing states accumulated huge surpluses in their balances of payments, while most non-oil-producing countries, especially in the Third World, went into equally serious deficit (Peet & Hartwick, 2009). Western banks had become deeply involved in these loans, with US banks owning over three times their capital in developing country bonds whereas UK and Germany had 125% and 50% respectively (Eichengreen, 2007). Neoliberalism's free-wheeling international financial markets indicated that there could be an economically destabilizing scenario that was experienced when the increasing US interest rates caused capital to flee to America, raising the costs of servicing the developing world's growing debt. Mexico experienced its first debt crisis in 1982 and was unable to meet payments on \$20 billion in loans. Along with Argentina, Brazil, and many other countries, Mexico was forced into debt rescheduling at lower interest rates, with payments over a longer period mainly under the supervision of IMF (Peet & Hartwick, 2009).

It was a fertile situation where it was thought that money could be made after revitalizing the interest of Bretton Woods Institutions as a benevolent, on one side, and recycling of 'petrodollars' on the other. The private financial institutions especially commercial and investment banks were less concerned with the social and political responsibilities attending the loans and were more concerned with the interest earned – on the whole. This situation was summarized by Greider (1987), who reported that 'banks collected the deposits of revenue-rich OPEC governments and lent the money to developing nations so they could avoid bankruptcy'. In subsequent decades, many of these developing nations found their huge accumulated debts are beyond their capacity to pay back and concluded that it was a form of neo-colonialism from



which debt relief was the only escape (Carrasco *et al.*, 2007). Gilpin (2001) further explains that when IMF and the World Bank intervened, they imposed ‘structural adjustment’ conditions – the doctrine in which debtor countries apply for financial assistance from the IMF and/or World Bank had to commit themselves to several stringent economic and structural reforms. The doctrine of structural adjustment was based on what John Williamson called the ‘Washington Consensus’ like the reduction of tariff barriers, increasing interest rates, the imposition of austerity programs such as the cutting back of government services and the removal of state subsidies (*Ibid.*).

By the mid-1980s, three-quarters of Latin American countries and two-thirds of African countries were under some kind of IMF or World Bank supervision (Peet, 2003). Observing the vicious cycle of neo-colonialism, Holland (1998, p. 4), in his work ‘World Bank Book (Shh!),’ put it: ‘The bank is to economic development theology what the papacy is to Catholicism, complete with yearly encyclicals. The bank, with its 5,400 full-time employees, still leads and other lenders or donors follow. It is instrumental in orienting officials and politicians in poorer countries to economic development, World Bank-style’.

### **The Drama**

Some of the important events need to be mentioned since the first episode of neoliberalism, *i.e.* destruction of Berlin Wall, to the time of ending the episode, *i.e.* construction of Mexico Wall. After the end of the Cold War in 1991, coercive pressure in pursuit of ‘human rights’ and ‘democratic governance’ was applied in many cases where the costs were relatively low and the rhetoric of democratic enlargement was often at odds. The security environment changed due to the attacks on the United States of 9/11 by the unfolding of the so-called ‘long war on global terrorism’ has been sharpened immensely (Foot, 2005). As observed by Hurrell (2007), the repercussions on human rights have been negative particularly in terms of violations of human rights committed by the United States and its major allies; in terms of the cynicism engendered by the mismatch between US words and US deeds; and in terms of the incentives and political space for other groups in many regions to emulate Washington’s rhetoric and behavior.

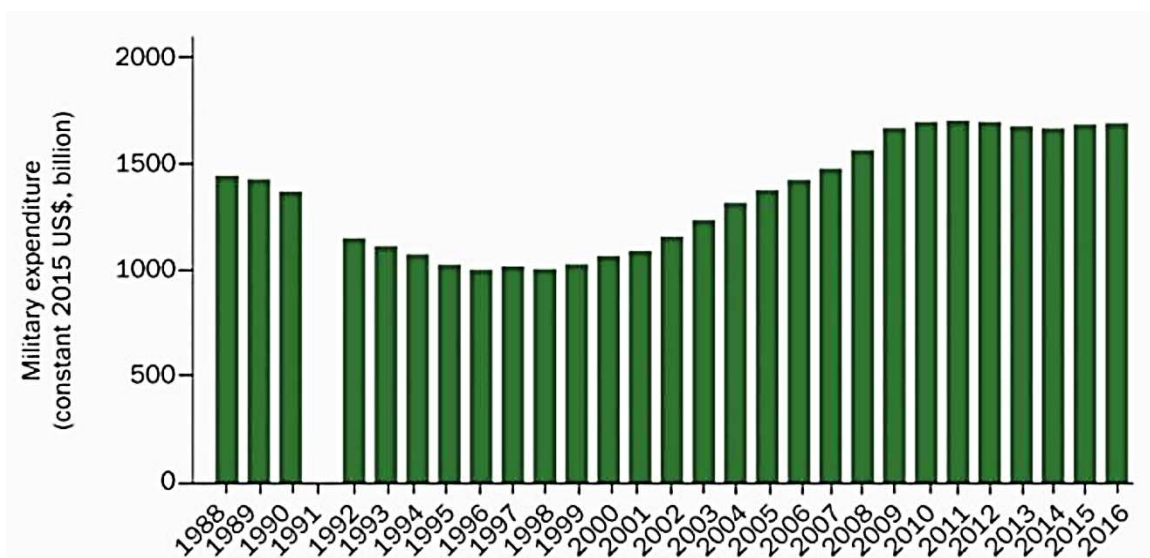
Hurrell continues to argue that “The war on terrorism has been viewed by the United States as a struggle in which, to quote George Bush, ‘there are no rules’ and where it is justified ‘to deny



protection to people who do not deserve protection” (2007, p. 162). The creeping practice of extrajudicial killings of terrorist suspects, the curtailing of civil liberties, the idea of promoting regime change in the Middle East reasserted the need to justify the ‘war on terrorism’ and the broader need to legitimize US policy in the world. In such circumstances, the hypocritical justification of democracy and democratization is inherently conceived as an uncertain process that has regularly reflected the characteristics of destabilization, disorder, and violence (*Ibid.*).

The volume of international transfers of major weapons rose by 10% between 2008–12 and 2013–17, to reach its highest level since the end of the cold war. The increase marks a continuation of the steady upward trend that began in the early 2000s. The flow of arms to the Middle East grew by 103% between 2008–12 and 2013–17 (SIPRI, 2018). The USA’s arms exports to Saudi Arabia and India increased by 448% and 557% respectively between 2008–12 and 2013–17 (*Ibid.*). Trends of military expenditure and international arms/weapons sales further provided the rational ground for a layman to understand the designs of building the virtuous or vicious world through *Unholy Trinity: The IMF, World Bank, and WTO*, the title of the 2015 book envisioned by Richard Peet.

**Figure 1: World Military Expenditure, 1988-2016**



Source: SIPRI, 2018.

According to Stockholm International Peace Research Institute (SIPRI) Yearbook Summary (2018), world military expenditure is estimated to have reached \$173.9 billion in 2017, the

highest level since the end of the cold war, equivalent to 2.2% of global gross domestic product (GDP) or \$230 per person. The military budget of the USA, for 2018, was \$700 billion which made it the world's largest spender followed by China with an estimated budget of \$228 billion. Saudi Arabia stood third with \$69.4 billion whereas Russia was fourth with \$66.3 billion, and India took the next rank with \$63.9 billion in 2017. These five largest expenditure countries share \$112.76 billion (64.85%) out of \$173.9 billion (SIPRI, 2018).

**Table 1: The Largest Importers of Major Arms and Their Main Suppliers, 2013–17**

S.N.	Importer	Share of Arms Imports (%)		Percent Change from 2008-12 to 2013-17 <sup>a</sup>	Main Suppliers (Share of Importer's total Imports, %) 2013-17		
		2013-17	2008-12		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>
1.	India	12	11	24	Russia (62)	USA (15)	Israel (11)
2.	Saudi Arabia	10	3.4	225	USA (61)	UK (23)	France (3.6)
3.	Egypt	4.5	1.6	215	France (37)	USA (26)	Russia (21)
4.	UAE	4.4	3.2	51	USA (58)	France (13)	Italy (6.6)
5.	China	4.0	5.4	-19	Russia (65)	France (14)	Ukraine (8.4)
6.	Australia	3.8	4.0	7.5	USA (61)	Spain (26)	France (6.9)
7.	Algeria	3.7	4.1	0.8	Russia (59)	China (15)	Germany (13)
8.	Iraq	3.4	1.7	118	USA (56)	Russia (22)	South Korea (8.7)
9.	Pakistan	2.8	4.9	-36	China (70)	USA (12)	Russia (5.7)
10.	Indonesia	2.8	1.0	193	UK (17)	USA (16)	South Korea (12)
11.	Viet Nam	2.7	1.7	81	Russia (82)	Israel (6.7)	Belarus (4.3)
12.	Turkey	2.4	3.1	-14	USA (59)	Spain (16)	Italy (10)
13.	South Korea	2.2	4.8	-50	USA (53)	Germany (36)	Israel (4.6)
14.	USA	2.0	3.9	-44	Germany (22)	Netherlands (12)	France (12)
15.	Taiwan	2.0	0.6	261	USA (100)	Germany (0.1)	Italy (0.1)
16.	Oman	1.7	0.3	655	UK (38)	USA (28)	Norway (7.9)
17.	Israel	1.7	0.8	125	USA (60)	Germany (30)	Italy (10)
18.	UK	1.6	1.7	-1.5	USA (80)	South Korea (5.9)	Israel (4.3)
19.	Bangladesh	1.5	0.3	542	China (71)	Russia (16)	USA (4.9)
20.	Qatar	1.5	0.6	166	USA (67)	Germany (20)	Switzerland (5.3)
21.	Singapore	1.5	4.0	-60	USA (70)	France (12)	Italy (4.1)
22.	Italy	1.4	0.7	111	USA (55)	Germany (28)	Israel (8.4)
23.	Azerbaijan	1.3	0.9	55	Russia (65)	Israel (29)	Turkey (2.5)
24.	Japan	1.2	1.7	-19	USA (93)	UK (4.8)	Sweden (1.8)
25.	Venezuela	1.1	1.9	-40	Russia (66)	China (23)	Ukraine (9.5)
26.	Canada	1.0	1.0	14	USA (70)	Netherlands (18)	Sweden (3.7)
27.	Kuwait	1.0	0.2	488	USA (88)	Russia (3.3)	France (1.8)
28.	Greece	1.0	1.9	-44	Germany (68)	USA (17)	France (10)
29.	Thailand	0.9	0.5	93	Ukraine (23)	China (18)	Sweden (16)
30.	Morocco	0.9	2.0	-52	USA (54)	France (44)	Italy (1.4)

Source: Wezeman & Fleurant, 2018.

Cordesman (2017) quoted the findings of Stephen Dagget that there are serious uncertainties in the cost estimates of past wars, but it is striking that if the costs to date of the Afghan and

Iraq/Syria wars are shown in constant dollars, even the comparatively low-end estimate of \$2 trillion through FY2018 would make these wars more expensive than every other period of conflict in American history except the American Revolution, the Civil War, and World War II. The Afghan and Iraq/Syria wars are more than five times more expensive than World War I (*Ibid.*).

SIPRI has identified 67 countries as exporters of major weapons in 2013-17. The five largest suppliers of arms during the period - the USA, Russia, France, Germany, and China – collectively accounted for 74% of all exports of arms (SIPRI, 2018). Sales of weapons in the United States increased to \$12.394 billion in 2017 from \$10.304 billion in 2016. Weapons sales averaged \$9.87294 billion from 1950 until 2017, reaching an all-time high of \$16.071 billion in 1975 and a record low of 1.769 billion in 1950 (Trend Economics, 2019).

The drama of neoliberalism has reached its climax with two major episodes. The first was the longest government shutdown in US history which left over 800,000 federal workers without pay, and unfortunately, the purpose of the shutdown was nothing but the approval of money required for the construction of the wall on the US-Mexico border (The Guardian, 2019). The second episode was when the Report of UNCTAD warned that ‘the factor intensifying uncertainty is the protectionist turn in the United States’ (United Nations, 2018). From January 2018 the United States Administration has announced various measures that have come close to triggering what many are calling a ‘trade war’, beginning with quotas and tariffs. These measures - and other tariffs imposed on other trading partners such as the European Union, Canada, and Japan - are being contested at the WTO, but the consequences of such a move are not clear. A tit-for-tat process is already underway. The impact of such a wave of protectionism is uncertain, unilateral protectionist actions by the United States may probably damage the world trade.

### ***End or Rebirth of Ideology?***

The notion of the ‘end of ideology’ in the aftermath of World War II was to describe a phenomenon of ‘exhaustion of political ideas’ in which the distinction of political belief in a binary terminology of ‘Liberalism’ vs. ‘Conservatism’ and ‘Right’ vs. ‘Left’ have been discredited in the West (Jost, 2006). According to Dalton (2005), the end of ideology thesis argues that ideological differences will decline as countries undergo ‘social modernization’;

whereas Shils (1958) believed that ‘communism had lost the battle of ideas.’ Black vs. white political cleavages might become muted into shades of grey by the complex structure of modern societies with complex patterns of social interests and economic relations, and more interactions between members of the polity (Dalton, 2005).

After the end of the Cold War, however, the perception of the end of ideology reached to its climax when Fukuyama (1989, p. 1-2) argued that the ‘contradictions that drive history exist first of all in the realm of human consciousness, *i.e.* on the level of ideas, in the sense of large unifying world views that might best be understood under the rubric of ideology.’ Ideology, in this context, is not narrowly used to mean explicit political doctrines but can include religion, culture, and the complex of moral values underlying any society as well (*Ibid.*).

Fukuyama (1992) contended that the world has seen ideological contradiction and violence in the twentieth century, as liberalism had to face first with the remnants of absolutism, then bolshevism and fascism, and finally an updated Marxism that threatened to lead to the ultimate apocalypse of nuclear war. Accordingly, he regarded the end of the Cold War not just an ‘end of ideology’ or a convergence between capitalism and socialism, as earlier predicted that is, the endpoint of mankind’s ideological evolution and the universalization of Western liberal democracy as the ‘final form of human government’ (Fukuyama, 1989, p. 1). It is projected ‘as the agent of progress and the only viable economic system’ (Alam, 2011). Gintis (2014) contended that the end of history itself would ‘culminate in general emancipation of the masses’ as in Kojeve’s ideal ‘universal homogenous state,’ in which all prior contradictions are resolved and all human needs are satisfied.

Yet, the neoliberal ideology is not wholly logical and consistent in its application of ideas and values, even though it is possible to identify those concepts that map its distinctive discursive space as an ideology (Turner, 2008). It is always important to note that understanding neoliberalism as an ideology requires deciphering its diverse and adverse elements, the variety of its uses in different national contexts and the main path of its history (*Ibid.*). Hence, the internationalization of ideological imposition seems neither feasible nor functional. As opposed to what Fukuyama posits as the triumph of neoliberalism, end of ideology and thus of history, the history of global capitalism and its ideology has been under a constant decline for decades.

As Wallerstein *et al.* (2013) put it, all systems have life cycles and none are ‘eternal’ and the continuous decline of global capitalism since the oil crisis represents that it is in the process of deformation. That is why the neoliberalism is trying to create an order in a chaotic situation characterized by severe financial crises, climate change, food crises, *etc.* and, many people wonder if neoliberalism, the ideology underpinning the capitalist system, could resolve the big challenges of our future, or if it is part of the problem itself (*Ibid.*). Moreover, the literature reveals that the new types of post-material issues are stimulating new conflicts over environmental quality, gender equality, and other social movements all contributed to the polarization of contemporary politics (Dalton, 2005). This created a new debate over whether ideology is ending or merely shifting the content of ideological competition. Pepper (2016) quoted Dalton’s speech as follows:

*Nobody can claim that objective or subjective conditions are favorable at this time for building socialism. I believe that at the present time there are other priorities ... The most important battle in Latin America today is, in my opinion, to defeat neoliberalism, because if we don’t - we will disappear as independent states and will become more of a colony than the Third World countries ever were.*

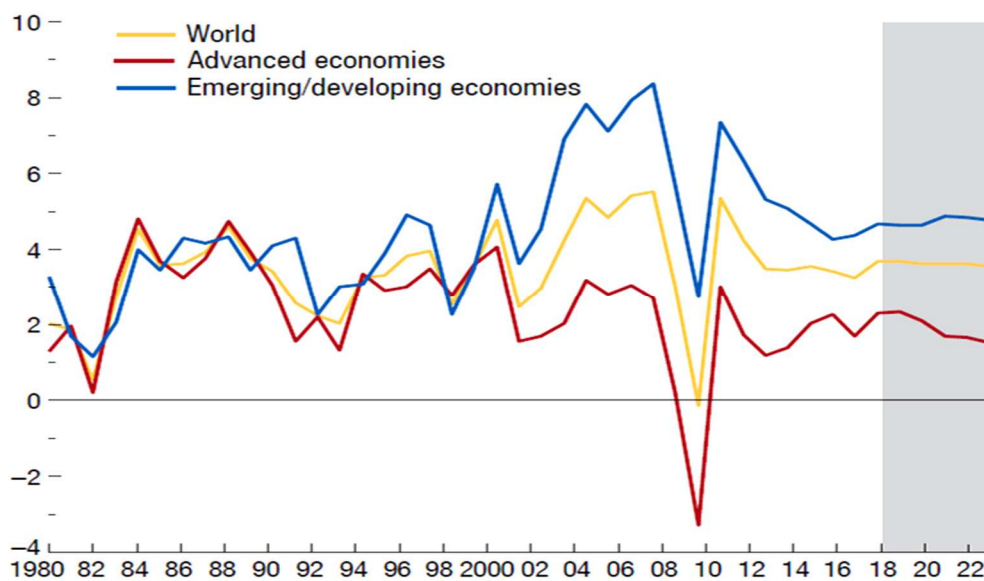
Ebeling (2017) wrote that one of the most accusatory and negative words currently in use in various politically ‘progressive’ circles is that of ‘neoliberalism.’ To be called a ‘neo-liberal’ is to stand condemned of being against ‘the poor,’ an apologist for the ‘the rich’ and a proponent of economic policies leading to greater income inequality. A Neoliberal is one who reduces everything to market-based dollars and disregards the ‘humane’ side of mankind (*Ibid.*). Based on empirical evidence of Sri Lanka, Jayatilleka (2018) wrote that neoliberalism is a ‘new stage of imperialism.’ It can be understood not by economics alone but through Political Economy. That too has to be understood dialectically. Lenin was the most prominent to point out that at a different stage of its development and decomposition, global capitalism abandons its progressive slogans and projects of the past. It is such abandonment, a negation that has found form in neoliberalism. He continued, ‘after its victory in the Cold War, imperialism adopted a policy of dismantling the state and breaking up the nation, both in the economy as well as in the political domain (national sovereignty) to make for the unfettered flow of capital and total integration into the world capitalist economy as vassal states’ (*Ibid.*).

Stiglitz (2019) wrote that for ‘40 years, elites in rich and poor countries alike promised that neoliberal policies would lead to faster economic growth and that the benefits would trickle

down so that everyone, including the poorest, would be better off. Now that the evidence is in, is it any wonder that trust in elites and confidence in a democracy have plummeted?’

However, in due course of time, the mantras of neoliberalism had shown the progress in favor of emerging economies of the Third World and their increasing trend of integration based on mutual understanding to promote south-south cooperation. The rise of BRICS, The G-20, The G-33, G-77 (now increased to 134), The G-90, The G-110, *etc.* is such an example of an antithetical stronghold. Besides, IBSA (India-Brazil-South Africa) initiative, NAASP (New Asian African Strategic Partnership), India-Africa Forum Summit (IAFS-55 Countries of Africa) and, most importantly, China-Africa Cooperation, Shanghai Cooperation Organization, Belt and Road Initiative (BRI), the Global System of Trade Preferences (GSTP), *etc.* among developing countries provided an opportunity for realizing the third-way position in global political economy and the words of Bastow & Martin (2005) ‘to move beyond the antagonism between left and right’. The data provided in Figure 2, Figure 3 and Figure 4 below are evidences to the rising trend of emerging markets and developing countries in terms of (i) real GDP, (ii) average annual GDP per capita growth, (iii) fund flow, (iv) growing regional and sectoral aid for trade, (v) report of WTO in 2014 and 2018, and vi) shifting weight of global economy.

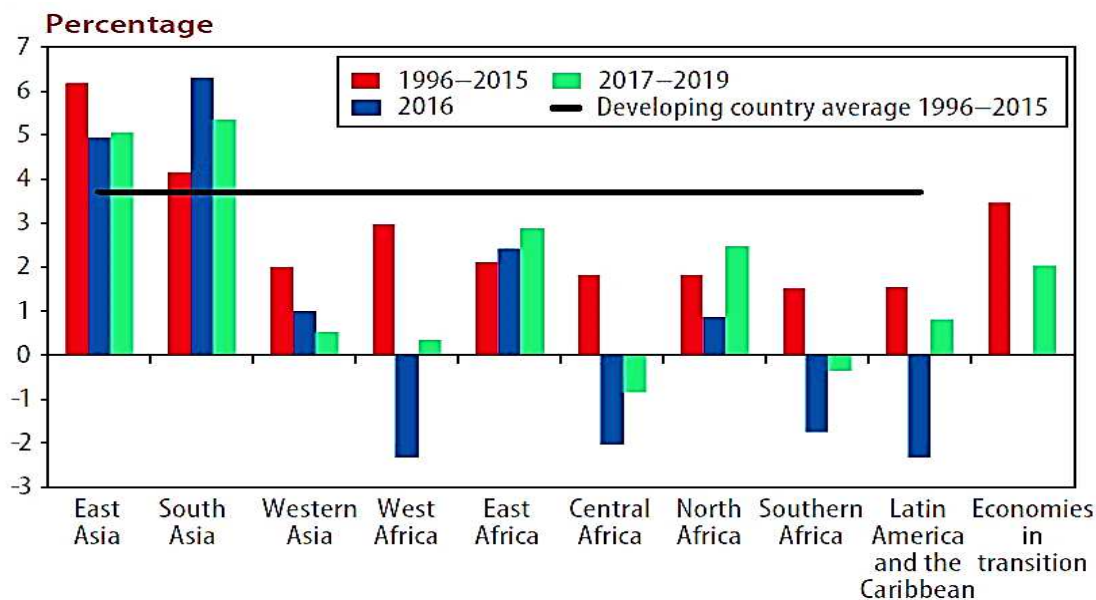
**Figure 2: Real GDP Growth (in %) of the World, Advanced Economies vs. Emerging and Developing Economies**



Source: IMF, World Economic Outlook (2018).



**Figure 3: Average Annual Growth per capita by Region**



Source: United Nations, World Economic Situations and Prospects (2018).

**Figure 4: Comparison of Fund Flow among Emerging Markets, EAFE (Europe, Australasia and the Far East) and the USA**



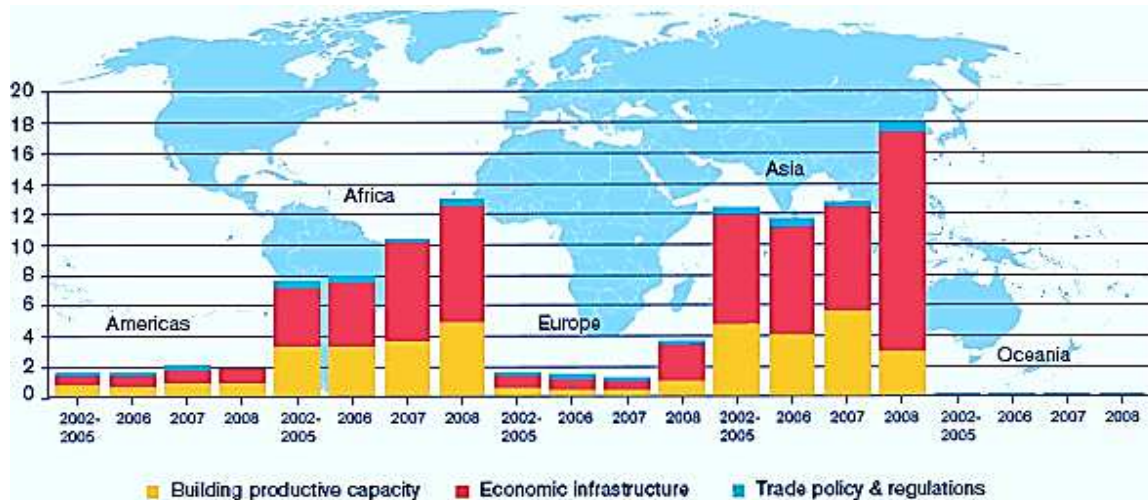
Source: Morgan Stanley Capital International (MSCI), (2018).

There is a disagreement on the number of countries under the Emerging Market (EM). However, the five institutions (IMF, MSCI, Standard and Poor’s, Russell, and Dow Jones) commonly classify the countries under EM are: Brazil, Chile, China, Colombia, Hungary, Indonesia, India, Malaysia, Mexico, Peru, Philippines, Poland, Russia, South Africa, Thailand, and Turkey. We

can observe from the above chart of 2017 that the MSCI Emerging Market (EM) index (34.35%) beats both the MSCI EAFE (21.78%) and MSCI USA (19.5%) indices.

To materialize the commandments of neoliberalism, trade-related assistance aimed at technical support to help developing countries which was an integral part of regular official development assistance (ODA) program has been revitalized in the form of Aid-for-Trade (AFT). Donors have been providing substantial amounts of aid to trade-related programs for many years, however, the Aid-for-Trade initiative (AFT) aims to help developing countries overcome structural and capacity limitations that undermine their ability to maximize the benefits from trade opportunities (OECD, 2006). Upon concluding its work in 2006, the WTO Task Force on Aid-for-Trade stated that ‘Aid for trade is about assisting developing countries to increase exports of goods and services, to integrate into the multilateral trading system, and to benefit from liberalized trade and increased market access’ (WTO, 2006). The scope expanded to include trade-related structural adjustment programs and other trade-related needs. The Aid-for-Trade initiative has achieved remarkable progress in a short time: partner countries are increasingly prioritizing trade in their development strategies and clarifying their needs by developing operational plans. Donors are improving Aid-for-Trade delivery and scaling up resources. In 2007, Aid-for-Trade grew by more than 20% per annum in real terms on the 2002-05 baselines (See Figure 5 below). This was followed by a further 35% increase in 2008. Total new commitments from bilateral and multilateral donors in 2008 reached \$41.7 billion, with an additional \$25.7 billion in non-concessional trade-related financing.

**Figure 5: Growing Regional and Sectoral Aid-for-Trade, Average 2002–05, 06, 07 & 2008**

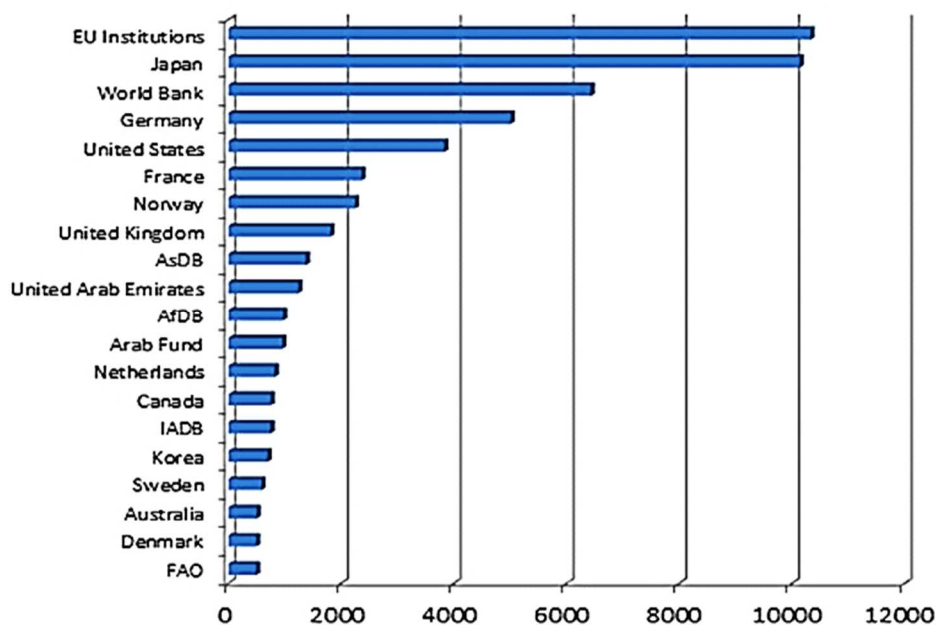


Source: OECD Creditor Reporting System (2008)



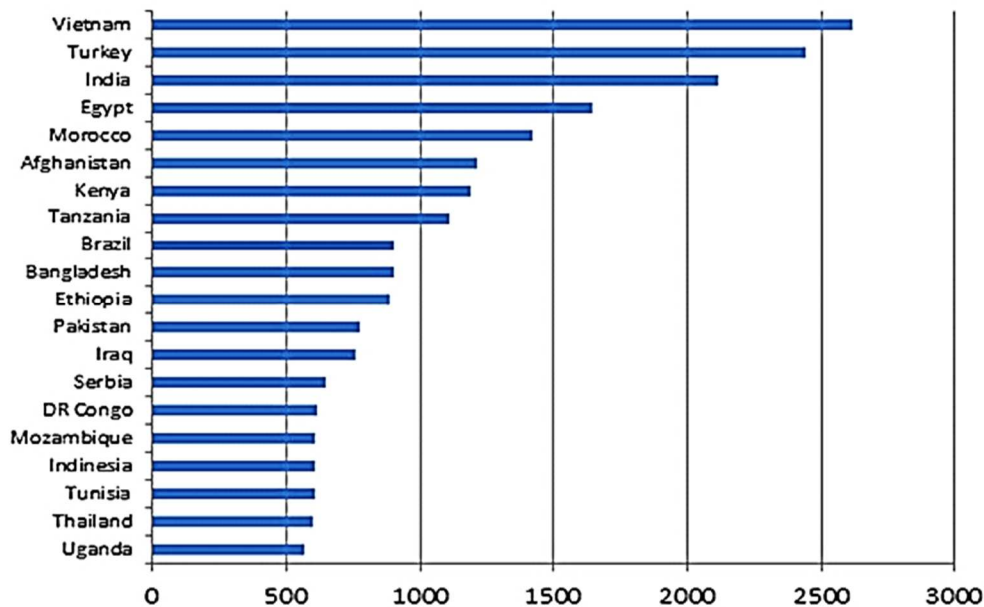
Furthermore, calculations suggest high disbursements of commitments – *i.e.* pledges are honored as money is spent. Donors are also on track to meet their aid-for-trade pledges, which – based on their indicative forward spending plans – will result in continued growth of aid-for-trade over the medium term. The largest share of aid-for-trade continues to go to Asia (with 44%) although flows to Africa (with 35%) are increasing steadily (see Figure 6 and Figure 7 below).

**Figure 6: Main AFT Providers, 2013 (\$US million)**



Source: J. A. Alonso, *Aid For Trade* (2016).

**Figure 7: Main AFT Recipients, 2013 (\$US millions)**



Source: J. A. Alonso, *Aid For Trade* (2016).

The *Report of WTO* indicated the rise of developing countries. Director-General of WTO, Roberto Azevedo stated while launching the Report of WTO, ‘the emerging trends highlighted in this report suggest that trade will be a major force for development in the 21<sup>st</sup> century’ (WTO, 2014). Two trends are worth mentioning here. The first trend is the rise of the developing world. The per capita income of the developing countries has been converging with those of rich countries. Since 2000, GDP per capita of developing countries has grown by 4.7%, particularly G-20 members are performing strongly by reducing the Most-Favored Nation (MFN) tariffs. The share of developing nations in global trade rose from 33% in 2000 to 48% in 2014. In contrast, developed countries only grew by 0.9%. As a result, the developing countries now account for more than half of the world output in terms of purchasing power parity.

The second trend is the eventual expansion of global value chains (GVCs). Developing countries are increasingly involved in international production networks including through services exports. South-South global value chain linkages are becoming more important with the share of GVCs. Countries with high greater VGC participation have experienced higher growth rates. GVCs are associated with ‘deep integration’ agreements: more than 40% of free trade agreements in force today include provisions related to competition policy, investment, standards, and intellectual property rights.

The WTO Report (2018) highlights the ‘interplay between technology and trade.’ It looks at how digital technologies are transforming global commerce today, and at their implications in the years to come. The report also shows the impact of technological advancements on cutting trade costs. Notwithstanding the current trade tensions, it is predicted that trade could grow yearly by 1.8 to 2 percentage points more until 2030 as a result of the falling trade costs, amounting to a cumulated growth of 31 to 34 percentage points over 15 years. The Report finds that the decline in trade costs can be especially beneficial for micro, small and medium-sized enterprises, and for firms from developing countries if appropriate complementary policies are put in place. The WTO estimations also foresee that, in such a scenario, developing countries’ share in global trade could grow from 46% in 2015 to 57% by 2030 (*Ibid.*). Shifting weight in the global economy will continue but at a slower pace as the share of BRIICS (Brazil, India, Indonesia, China, and South Africa) plus next 10 largest economies (Saudi Arabia, Iran, Vietnam, Nigeria, Thailand, Egypt, Argentina, Pakistan, Malaysia, and the Philippines) have significantly grown

from less than 30% in 1992 to nearly half of the world GDP in 2019 (OECD, 2019). At any rate, as the old cleavages apparently fade, however, new forms of political and economic cleavage shall emerge in the world and clear indicators are from the developing nations. Hence, it would become a failure of imagination to argue that ideology has ended or will end in the foreseeable future.

### **Summary and Conclusion**

In this article, an attempt has been made to analyze the dynamic discourse of neoliberalism as an ideology with no certainty. Extensive emphasis has been paid to examine the rise and fall of neoliberalism as it constitutes the core element of such dynamic discourse. To this end, the evolution of neoliberalism has been carefully scrutinized across three phases – first, from the 1920s until about 1950; second, from 1950 until the free market ascendancy in the 1980s; and finally a series of events of 1970s that provided the impetus for propagating, justifying and institutionalizing the philosophical pretext of neoliberalism – 1980s onwards.

It was during this last phase that International Monetary Fund (IMF), the World Bank (WB), the World Trade Organization (WTO), the European Union (EU), North American Free Trade Agreement (NAFTA) along with ‘Washington Consensus’ championed the cause for the emergence of neoliberalism. The core theme of philosophical pretext was that human well-being could best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, minimum state, free markets, and free trade. In pursuit of realizing the tenets of neoliberalism, three-quarters of Latin American countries and two-thirds of African countries came under some kind of IMF’s or World Bank’s supervision of ‘structural adjustment’ policies by the mid-1980s and many developing countries like Mexico, Argentina, Brazil, *etc.* accumulated huge debts beyond their capacity to pay back. The situation further exacerbated after the end of the Cold War in 1991.

On one side, the fall of 155 km long Berlin Wall and celebration of Francis Fukuyama about the triumph of the Western liberal capitalist regime and its universalization have been conceived as the ‘final form of human government.’ On the other, a solid program for deep penetration and elevation of capitalism into non-capitalist countries followed by a change of security environment after 9/11. After this incident, the long war on global terrorism has been sharpened

and immensely coincided with the volume of international transfers of major weapons and dramatic expansion of military expenditure. Subsequently, these developments have been accompanied by the practice of extrajudicial killings of terrorist suspects, curtailment of civil liberties and promotion of regime change thereby reasserting the need to justify the ‘war on terrorism’. In such circumstances, however, the hypocritical justifications for intervention under the guise of ‘democracy’ and ‘justice’ have inherently become uncertain processes regularly manifested in the destabilization, disorder, and violence in politico-economic systems created by neoliberals or their foremost advocates encapsulated by Richard Peet as the ‘unholy trinity’.

In light of the above discussions, it is also noted that while the champions of neoliberalism were busy in the ‘war on terrorism’ and its associated repercussions, the mantras of neoliberalism have worked rather in favor of emerging economies as observed in the increasing trend of integration based on mutual understanding to promote south-south cooperation. The rise of BRIICS, IBSA (India-Brazil-South Africa), NAASP (New Asian African Strategic Partnership), India-Africa Forum Summit, China-Africa Cooperation, Shanghai Cooperation Organization (SCO), Belt and Road Initiative (BRI), the Global System of Trade Preferences (GSTP) and many others proved to be such examples of an antithetical stronghold. These provided an opportunity for realizing the third-way position in the global political economy and the words of Steven Bastow and James Martin ‘to move beyond the antagonism between left and right.’

Nevertheless, it appears, in the final analysis, that the mechanism of survival of the US economy had become the baseline for the revival, reinventing, restructuring and remodeling of the global economy and global institutions designed on the self-centered ideological framework. The destruction of the Berlin Wall to the construction of Mexico Wall is the living example to understand the phenomena and to comprehend the motive behind the shifting paradigm of those self-proclaimed champions and protectors of globalization, democracy, and human rights. Hence, the scholars of political science, economics, governance, development, international political economy, international relations, peace, and conflict can easily employ the logic in understanding the rise of protectionism by the advocators of neoliberalism and the ongoing trade war.

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## The Political Economy of Commercial Agricultural Land in Ethiopia

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### Abstract

*This paper provides a critical examination of the political economy of commercial agricultural land in Ethiopia, taking a case from the peripheral State of Gambella where the Anyuua and the Nuer ethnic groups interact. Since 2002, the government of Ethiopia has pursued a controversial investment approach that promotes large-scale investment dominated by FDI while officially denouncing the current wave of the neoliberal economic discourse. Such investment ventures in the State of Gambella have put significant agricultural lands under a long-term lease to foreign developers. The central argument of this study lies in the point that, in a political economy avenue where practices contradict official state ideology, mechanized agricultural developments face failure beyond adverse social and ecological crises. Under the guise of the political economy of development where the state takes in hand the responsibility for playing a leadership role, private developers cannot easily find a space for leverage for making productive investments. Rather, such ventures as the case of Gambella tend to institute land alienation of the rural indigenous poor who are already marginalized because of their double-peripheral positions – a manifestation of South in the South. The consequence of both inter-group relations and the environment is catastrophic. The paper concludes that the influence of (trans)national companies on indigenous communities living especially in fragile environments continues to be disconcerting whereas the conflation of the neoliberal inspiration in the peripheral regions appears to be disguising while leaving the local environment and inter-group relations at stake. Thus, the Ethiopian government should recognize the contradiction between its official ideology and the investment practices in agricultural lands overtaken by (trans)national developers.*

**Keywords:** *Agricultural Investment, Land Politics, Political Economy, Resource Conflict, Ethiopia*

### Introduction

With the advent of capitalism – ‘a system of production and reproduction based on a fundamental social relation between capital and labor’ (Bernstein, 2010, p. 1), which largely promotes individual wellbeing, ‘class analysis generally and peasant wars more specifically, ceased to be fashionable topics in academic circles’ (Buijtenhuijs as cited in Cramer, 2011, p. 278). Ignoring the agrarian roots of violent conflict (even in the urban areas), ‘social scientists have tended to see the underlying motivation for wars in developing countries ‘in terms of ethnic chauvinism or individual pecuniary gain’ (Cramer, 2011, p. 278). It is, therefore, important to note ‘the classic agrarian question of how agriculture is influenced by the capitalist economy

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which has been reformulated multiple times' in an attempt to deal with issues of rural dwellers (Peluso & Lund, 2011, p. 668).

The rural agricultural land in the countries in the so-called global South, which have been owned by different indigenous communities in the past, is believed to host 'nearly half of the world's population' – a great number of class of poor people (Borras, 2016, p. 3). This clearly shows the significance of 'political economy[']s] perspectives in agrarian studies that stress the importance of understanding dynamics of agrarian transformation brought about by capitalism's penetration of the countryside' (*Ibid.*, p. 8).

This study provides a contestation of the New Institutional Economics and Agrarian Political Economy in the context of the Anyuua indigenous community who is living amidst large-scale land deals and sporadic conflict in Gambella National Regional State of Ethiopia. By utilizing secondary sources and qualitative approach of data analysis, the paper aims at vindicating the effect of Ethiopia's pro-capitalist investment policy despite its developmental orientation, which commodifies land (Bernstein, 2010, p. 23). The paper argues that Ethiopia's investment policy not only fuelled the continued violence between these two ethnic groups but also led the Anyuua to lose its lives and livelihoods. The pro-capitalist investment policy not only failed to achieve its objectives, but also resulted in violations of human rights, and serious socio-economic and environmental crises that transcend the rural poor. We draw on (i) Cramer's argument that 'processes of agrarian structural change are themselves inherently conflictual and frequently violent' (Cramer, 2011, p. 278) and (ii) one of Borras's category of violent conflict between 'poor people *versus* poor people' (Borras, 2016, p. 10).

### **Land Politics**

In the 21<sup>st</sup> century – when neoliberal ideology reaches its zenith – the nation-states are not only the actors on issues that affect their citizens within their boundaries but also the partners of supranational organizations because of the shift from government to governance (German, 2014). In such a syndrome of partnership, the livelihoods of rural dwellers are being threatened by large-scale mechanized farms in most countries in the Global South – Africa, Latin America, and Asia. This shift 'from government to governance' has brought the involvement of supranational organizations like the World Bank (WB), International Monetary Fund (IMF), World Trade Organization (WTO) and non-state actors into the decision-making arena on issues

pertinent to citizens. Such a convergence of actors has weakened the nation-state by sharing their power at three levels referred to as a ‘triple squeeze’ (Borras & Franco, 2009, p. 9), namely, ‘from above’ through globalization where some regulatory powers have been increasingly ceded to international institutions such as WTO, IMF, and WB; ‘from below’ through the partial decentralization of political, fiscal, and administrative powers to local counterparts; and ‘from the sides’ through the privatization of some functions. As the authors maintain, rural dwellers, which account for three-fourths of the world’s poor predominantly living in these countries, are greatly affected by ‘the highly uneven and varied outcomes of globalization, decentralization and privatization policies’ (*Ibid.*). Such an outcome, we presume, is threatening the very existence of indigenous communities in fragile states found in Africa, Latin America, and Asia. The involvement of supranational organizations, (trans)national companies, and non-state local actors, thus, adversely influences communities in fragile rural environments like the Gambella region of Ethiopia. In particular, these communities are being threatened by mechanized farms that need large-scale land acquisition, thereby, demeaning the indigenous communities’ way of farming and living under the guise of the contemporary neoliberal world order.

This has been brought about by the neoliberal idea of allegedly ‘most economically efficient use and allocation of land resources’ (Borras & Franco, 2009, p. 16), which has been uncritically integrated into the policies of the countries in the Global South. The integration was done by putting aside measures to help peasants to be efficient in their way while introducing the modern means of agriculture to their farmers since the time of the Structural Adjustment Program in the 1980s. Cognizant of their claim for efficiency, they design strategies that enable them to easily control resources in countries in the Global South. Among others, ‘making land markets more transparent and fluid’; ‘focusing on productive projects’; ‘decentralizing implementation’; and, ‘maximizing private sector involvement’ are strategies that Deininger (1999, p. 29-31) mentions guiding the capitalist way of land reform that facilitates and makes ways easy for the few rich to meet their objective of land control. Such kind of land control – ‘practices that fix or consolidate forms of access, claiming, and exclusion for some time’ and uses of strategies such as ‘[e]nclosure, territorialization, and legalization processes, as well as force and violence (or the threat of them)’ – adversely affect the lives, livelihoods and land ownership rights of the rural poor (Peluso & Lund, 2011, p. 668).

The involvement of the supranational organizations in the issues of the countries in the Global South, according to Borras and Franco (2009, p. 16), results in ‘a much greater degree of influence . . . in (re)shaping the nature, content, pace, direction, and perspective of national land policies’ of the countries in South. As Borras (2016, p. 3) argues, ‘conventional land reform disappeared from official policy agendas’ and was replaced by the neoliberal market-oriented land reform policy that commodified land and encouraged the capitalists to seize the land (including other natural resources) of rural dwellers. The countries in the Global South are hugely dependent on the supranational organizations, which ‘control large funding’ for their projects and other borrowings since most of them plan to get even part of their annual budget from the supranational organizations (Borras & Franco, 2009, p. 16). As a result, the organizations can easily influence these states and they are forced to compromise their power and promulgate policies that conform to the neoliberal pillars of these institutions. This leads to ‘land property rights formalization projects, land registration and titling, land administration, and market-led land reforms’ (*Ibid.*). This further leads the countries in the Global South to enter into ‘a new type of *negotiated* land reform that relies on voluntary land transfers based on negotiation between buyers and sellers’ (Deininger, 1999, p.3).

This policy, which questions the resource ownership of the rural poor implicated in neoliberals’ argument of efficiency and transfer of ownership rights of the rural poor to the rich, is not only incapable to fit the context of countries in the Global South, whose citizens live amidst the convergence of crises, but it is also a blow to the rural residents and indigenous communities across the countries in Southern region. The pro-capitalist land policies that the supranational organizations often promote ‘have had far-reaching impacts, mostly adverse, on the lives and livelihoods of poor peasants, small farmers, and rural laborers’ (Borras & Franco, 2009, p. 9).

Ignoring the suffering of the rural dwellers resulting from such policies, the neoliberals cheered their mode of production in large-scale agriculture as if it is resulting in ‘agricultural modernization, mechanized farming, employment creation, and positive spill-overs across the economy’ (Baglioni & Gibbon, 2013, p. 1559). But the reality on the ground is completely opposite. They are not ready or they do not want to see what the locals in the countries in the Global South are experiencing after they lost their land. They even go far to say that ‘land grabbing is an unacceptable term’, considering what they are practicing is a ‘legitimate business

transaction’ (Borras & Franco, 2013, p. 1723). The (trans)national corporations, which often control land in the Global South, and governments (including the local governments that are closer to witness the struggle and suffering of peasants in the rural areas) are silent on the ‘widespread land alienation, evictions and destruction of livelihoods’ of the locals (Baglioni & Gibbon, 2013, p. 1559). The same policies haunt the lives and livelihoods of peasants in Ethiopia through the rhetoric of development through large-scale mechanized agriculture.

### **Large-scale Land Acquisition in Ethiopia – A Glimpse**

Influenced by the current wave of neoliberal economic discourse and guided by the rhetoric of development driven by supranational organizations, (trans)national companies, and non-state local actors, the Ethiopian government put in place an investment policy in 2002 intending to promote large-scale investment in the country (Federal Democratic Republic of Ethiopia, 2002). Accordingly, it facilitated ways for the penetration of mechanized farms deeper into the farmlands of indigenous communities in the peripheral regions of the country such as Gambella where the Anyuaa and the Nuer ethnic groups emerge as good cases in point.

This puts the government in a situation where it is unable to fulfill ‘traditional obligations to the rural poor’ (Borras & Franco, 2009, p. 9). Alienating the government from its traditional duties, it drives it to a role that ‘is restricted to establishing the necessary framework and making available a land purchase grant to eligible beneficiaries’ (Deininger, 1999, p. 3). It minimizes the role of the government to simply facilitate access to land for the capitalists by making it a subservient that only serves the rich. In so doing, it leaves ‘many poor peasants and small farmers exposed to the harshness of market forces dominated by global corporate giants’ (Borras & Franco, 2009, p. 9). This is a direct anti-thesis, for instance, to article 89 sub-article 5 of the constitution of Federal Democratic Republic of Ethiopia (FDRE) which affirms that ‘government has the duty to hold, on behalf of the people, land and other natural resources and to deploy them for their common benefit and development’ (Federal Democratic Republic of Ethiopia, 1995).

Beginning with Saudi Arabia and South Korea, which owned a large portion of land in Ethiopia and Madagascar in 2007/8 (Transnational Institute, 2013, p. 3), a large-scale land transfer is currently becoming the problem of the people of Global South. Ethiopia is one of the African states that promote export-oriented large-scale mechanized agriculture. Gambella, which is a conflict-prone region (Feyissa, 2003; Gebeyehu, 2013), is one of the places where (trans)national

corporations own huge tracts of land for a large-scale mechanized agricultural farm (Rahmato, 2011). The (trans)national corporations primarily need the land of these rural dwellers the fallout of which is the forcible eviction of the members of the Anyuua ethnic group from their land. This situation exactly fits Borras's (2016) dictum that 'in settings where the land is needed but the people are not, it is likely that villagers would be expelled from their land' (p. 9).

The penetration of mechanized agriculture in the Gambella National Regional State of Ethiopia, besides the marginalization and alienation of the rural poor from their land, and therefore, from their economic base, disrupts the natural and the social environments beyond endangering the livelihood systems. As a result, it ultimately proves the unsustainable nature of large-scale mechanized farms located amidst indigenous communities. By intensifying deforestation, increasing land degradation, and causing soil pollution because of the use of chemicals such as pesticides and herbicides, amongst others, these large-scale investments prove to be environmentally unfriendly. Similarly, by displacing the rural poor, these projects disrupt their social fabrics. In short, mechanized farms amidst indigenous rural poor prove to be unsustainable.

### ***The Anyuua***

Being one of the five indigenous ethnic groups besides Nuer, Majangir, Opo, and Komo, the Anyuua community is an ethnic group residing in the fertile lowland region of Gambella – one of the nine national regional states of the Ethiopian federation – forms a huge number of the predominant landholder and agrarian society (Central Statics Agency, 2007; Rahmato, 2011; Yonas & Ezra, 2014). Their livelihood is dependent mainly on their shifting cultivation of land (Feyisa, 2003) – one of the activities over which the 'mainstream conservation organizations and central-states had launched campaign to delegitimize and illegalize' (Borras, 2016, p. 7). The community is also dependent on the big trees in the forest that they inherited from their ancestors. They use the forest for food, medicine, firewood, shelter building, bee-hiving, *etc.* Moreover, they engage in fishing on the Baro River – one of the four main rivers in the region – as they are living adjacent to this river. In the recent past – before a decade or so, the community had to deal with the conflict with the Nuer (Feyisa, 2003). Nuer – a predominantly pastoralist ethnic group (Feyisa, 2003; Gebeyehu, 2013) – depicted as having an expansionist tendency



towards the land of the Anyuua. An Anyuua pastor named Akwey quoted in Feyisa (2003, p.37) states:

*Our main problem with the Nuer is because they take our land. All people have their homes. The Anyuua, Opo and Majangir, they all live in their area. But with the Nuer it is different. Everywhere they go is their home. Nobody would prevent them to use the grass [pasture], as long as their cattle would not destroy our fields. We were in Nasser, Akobo, etc.; the Nuer took it. Now they are pushing us out of Gambella. In the near future, there would be no Anyuua left.*

They have to deal only with the conflict with this group until the arrival of the (trans)national companies for large-scale agricultural investments. (Trans)national companies without any bureaucratic delays acquire a huge portion of land for a long period of contract with a very small amount of payment through the central state's investment policy that has never been observed elsewhere in the world (Rahmato, 2011). For instance, around 535,000 hectares of land have been given to (trans)national corporations for a price between \$1.5 to less than \$2 per hectare per year only in the Gambella region (*Ibid.*). The investment policy encourages large-scale mechanized agriculture with the objective to bring progress and development that goes beyond the region through improving 'the living standards of the peoples of Ethiopia through the realization of sustainable economic and social development' (Federal Democratic Republic of Ethiopia, 2002).

To make ways for the (trans)national companies to easily acquire land, the government forcibly relocates indigenous communities not only without adequate compensation but also without taking into account their fate. They are left empty-handed with no hope for survival. They are powerless and fearful to resist the forcible eviction through the government's rhetoric of 'villagization' and resettlement with the promise to ensure public services and a better life. After they are forcibly evicted, the (trans)national companies clear the old trees in the forest, which these people inherited from their ancestors and served as the means of their survival. Studies show that around 28,000 members of the Anyuua were forcibly removed from their land and resettled in ways that neglect their traditional ways of life and livelihood systems. This forced eviction has been accompanied by gross human rights abuses, including rape, killing, torture, and arbitrary detention of local population (Aljazeera, 2014).



Other members of this ethnic group who feared persecution and assassination have migrated to neighboring countries such as Kenya while the remaining residents find themselves battling to survive amidst these large-scale land deals and the sporadic conflict they are in with the Nuer. However, a closer look at Article 40 sub-article 4 of the FDRE constitution suggests that Ethiopian rural dwellers ‘have right to obtain land without payment and the protection against eviction from their possession’. Moreover, Article 40 sub-article 5 of the constitution guarantees that ‘the right to free land for grazing and cultivation as well as the right not to be displaced from their own lands’ (Federal Democratic Republic of Ethiopia, 1995). There is, therefore, a gap between the rights of peasants enshrined in the supreme law of the land and the recognition and/or implementation on the ground.

### *The Conflict between the Anyuaa and the Nuer*

Though the current conflict between the Anyuaa and Nuer is not started because of the global resource rush, this global rush for resource grabbing fuelled the already existing conflict between the two ethnic groups making it more violent and frequent. It is consistent with what Peluso and Lund (2011) observe as ‘land control, alienation, and dispossession have played classic and contemporary roles in primitive and ongoing forms of accumulation, with new frontiers, various kinds of territories, and ethnic and racialized conflicts emerging at virtually all levels’ (p. 668). The conflict between these two rural communities suggests the significance of bringing the issue of these rural dwellers into the scrutiny of violent conflict. As Cramer (2011) argues, this further implies:

*investigating access to land and capital and means of mobilizing labor; it means investigating changes in the institutional regulation of such access and control; and it means identifying the tensions, techniques of compulsion and modes of resistance developed around productive relations in, typically, a globalized context (p. 277).*

He further noted that:

*Global food and energy price trends, the volatile play of commodity futures speculation upon prices of export crops and consumer foods, climate change, concerns over foreign investment and so-called ‘land grabbing’ are all capable of provoking struggles: over access to land (Cramer, 2011, p. 292).*

Exploring the conflict between the Anyuaa and Nuer in the context of ‘the agrarian roots and dynamics of violent conflicts’ is relevant for understanding the roots of violence ‘shaped by, agrarian structures, relations and change’ (Cramer, 2011, p. 278). Cognizant of this fact, the

conflict between these communities is not limited only to the rural areas where they are living. It is widespread into the towns, particularly in Gmabella – the capital of the regional state – and creating a struggle for power (Mamo, 2017).

Noting Cramer's (2011) dictum that 'the bulk of analysis and commentary on violent conflicts in developing countries over the past 20 years or so has neglected the dynamics and tensions of agrarian political economy' (p. 277), we have opted to put the conflict between these two ethnic groups in the context of what Borras (2016) referred to as the conflict between 'poor people vs. poor people' – one of his four typologies of 'land-related political conflicts'. This includes the conflict between 'poor people vs. state', 'poor people vs. corporations', and 'poor people vs. big conservationists' (p. 9-10). Despite a clear disagreement of the rural people over the measure of the government to take their land and the forcible eviction they are facing, which may thus fall into the category of poor people and the state, the rural dwellers are not reacting violently. They are not, therefore, resistant to the alienation and marginalization to which they are subjected. Hence, it is important to focus on the category of conflict of poor people against poor people since these two poor rural communities have been in violent conflicts over land and related resources (such as pasture and water – important for the Nuer who are pastoralists dominantly) for a long period.

The government is also criticized for pushing the Nuer – a pastoral ethnic group that does not have much land to cultivate – to lead a sedentary agrarian life. This is to ensure that the (trans)national companies get enough land. As the government pushes the Nuer to a sedentary agricultural life, the Nuer pushes the Anyuaa away from their lands (Mamo, 2017). This results in a continued violent conflict between these two indigenous communities over land. This conflict leaves the Anyuaa in a vulnerable situation as they are losing their land to the (trans)national corporations on the one hand, and the Nuer on the other. Both the corporations and the Nuer have the support of the government for the same ends – that is, securing land for investors at the expense of the Anyuaa who are thus marginalized and excluded.

### ***The Problematic of Marginal Land***

The Ethiopian government claims that the land which is given to (trans)national corporations is unused or marginal in the periphery areas such as in Gambella. However, there are studies that show the forcible eviction of the indigenous communities in the region and the taking away of

land from the agrarian community and providing it to the (trans)national companies (Moreda and Spoor, 2015; Rahmato, 2011; The Oakland Institute, 2011). Yonas and Ezra (2014, p. 167) argue that ‘the availability of unused agricultural land for investment is taken for granted’. The global food, energy and climate change crises coupled with the growing world population invokes the neoliberals’ argument for efficiency. This led them not only to control the marginal land but also the land that the indigenous people have been owning for the obvious reason that the marginal land cannot meet their market demand. As Borras (2016, p. 167) puts it,

*key element of the current mainstream narratives about the food, energy, and climate change crises claims that there are too many of these problems, and the solution lies in the existence of marginal, under-utilized, empty, and available lands. The idea is to put these types of land to efficient productive use.*

Moreover, the government’s claim of marginal land does not take into account, among others, the future of traditional agriculture that the indigenous community has been practicing for so many years, the environmental crises that it results in, and the fate of the youth of the countryside or future generation. This further facilitated the diminishing of land reserves and migration of the rural youth to the nearby towns in search of their livelihoods. Land reserves, as Borras (2016, p. 11) succinctly writes, ‘for future land demands including possible future farmers were rarely part of the deal. As a result, many rural youths have no possibility to gain access to their land, and leave the countryside’.

### **Conclusion**

To conclude, the influence of the neoliberals through supranational organizations, (trans)national companies, and other non-state local actors, is becoming rampant particularly on indigenous communities living in fragile environments of the Global South. It is now becoming common to hear and to see the sufferings of innocent rural dwellers in the countryside because of the arrivals of these neoliberal ministries in their villages. Though the Anyuua is one specific community that is exposed to the harshness of neoliberalism, many other communities in Ethiopia are also suffering in the same way due to the same process of capitalist penetration into the villages of the countries in the Global South. It is, thus, a high time for governments in the Global South to get committed to help the rural dwellers to be, *inter alia*, efficient in their way rather than siding for the neoliberal rich whose engagements have caused destruction, not only to the livelihood systems of the rural poor but also to the natural environment. The Ethiopian government, in particular, should realize the contradictions between the theory and the practices of large-scale

agricultural investments in the context of indigenous communities. If the government is willing not only to protect but also to benefit these communities, it should first understand at heart the huge gap that is found between its decisions on the white papers and the much grey conditions of what is happening on the ground. It should, thus, make sure that not only the property rights of these people are duly guaranteed, but also their lives and livelihoods are accordingly secured if the state is to live up to its *raison d'être*, which is ever-expanding to secure economic provisions beyond maintaining peace and order. At the same time, and to the extent possible, this securitization should be given equally to the rich capitalists living in the urban areas and the rural poor.

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## **Seeking Peace in South Sudan: The Contributions and Challenges of the Inter-Governmental Authority on Development (IGAD)**

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### **Abstract**

*The objective of this article is to critically examine the role(s) that the Inter-Governmental Authority on Development (IGAD) has played in the restoration of peace in South Sudan. Methodologically, the article employed a case study qualitative research design as its main focus is analyzing the contributions and challenges of IGAD in seeking peace in South Sudan. The study revealed that IGAD has played a prominent and leading role in the South Sudan mediation. Since its involvement in the mediation process, it has played its utmost efforts in the South Sudan peace process to end the armed conflict and created the basis for sustainable conflict resolution in non-violent ways. The Agreement on the resolution of the conflict signed by the parties in August 2015, without doubt, is a major contribution to the resolution of the conflict. The agreement outlined a comprehensive plan to end the fighting, frame a post-conflict transition, and to begin the tasks of reconciliation and reform despite competing interests of the parties and diverging views of external partners. Furthermore, IGAD was instrumental in the realization of the IGAD High-Level Revitalization Forum on 21 December 2017. More recently, IGAD has played a prominent role in the signing of the Khartoum Declaration Agreement on outstanding issues on governance and security arrangements among warring parties held on 5 August 2018 in Sudan. Another achievement of IGAD was its ability to manage regional tensions, among its members, which prevented an agreement on power-sharing and security arrangements in the country. Finally, the article concludes that IGAD has achieved success in assisting South Sudan to integrate into the regional peacebuilding architecture.*

**Keywords:** *Conflict Resolution, Mediation, Peacemaking, Civil War, IGAD*

### **Introduction**

South Sudan took decades of fighting for freedom and independence. According to Johnson (2016), the South Sudan struggle for freedom and independence lasted over 50 years. During the struggle over decades, South Sudanese were exploited, subjected to slavery, abuse and discrimination (Grang, 2015; Maru, 2016). Johnson further added that the journey to nationhood had been characterized not only by decades of liberation wars for independence but also for freedom-seeking from oppression and discrimination (Johnson, 2016). In a similar vein, Maru (2016) also explains that the independence of South Sudan was achieved after tremendous sacrifices of more than 2 million casualties, with an equal number of uprooted and displaced

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civilians. However, the roles of IGAD, IGAD Partners' Forum (IPF), 'Troika' (the US, UK, and Norway), African Union (AU) and United Nations (UN) have proved to be driving forces towards the signing of the Comprehensive Peace Agreement (CPA) in 2005 which opened the door for the referendum of South Sudan (Healy, 2011; Wassara, 2015).

Six years later, in 2011, the referendum led to the independence of South Sudan. Johnson in his book entitled '*Waging Peace in Sudan: The Inside Story of the Negotiations that Ended Africa's Longest Civil War*,' clearly stated the CPA ended the 50 years-long civil war. He, however, argued that the CPA did not grant the Southerner's independence but guaranteed self-determination (*Ibid.*). The referendum was held between 9 and 15 January 2011 as provided by the CPA and 98.83 percent of the South Sudanese voted in favor of secession and independence (Grang, 2015; Minde & Omeje, 2015). Following independence in 2011, a new hope was vitalized in all South Sudanese to enjoy the fruits of freedom and consequently relative peace was achieved (Johnson, 2016). The honeymoon for the newest state was, however, short-lived and thus no later than two years, the political disputes between President Salva Kiir and his former Vice President Riek-Machar plunged the country into full-scale civil war (Hutton, 2014; Maru, 2016; Wassara, 2015). More precisely, the nightmare started in mid-December 2013 which shattered the dreams of millions of South Sudanese (Johnson, 2016).

There have been several and complex structural causes and proximate factors for the civil war in South Sudan. The structural causes and proximate causes include historical factors, power competition, and lack of democratic governance, repressive state measures, competition over natural resources, ethnicity and interference from regional neighboring countries. However, the objective of this article is not to discuss the causes and implications of the conflict but to examine the contributions and challenges of IGAD in the resolution of the South Sudan conflict.

IGAD is the regional organization of the Horn of Africa mandated, among others, to maintain and improve peace and security in the region. It has eight member countries: Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan, and Uganda. With the objective to improve the peace and security of the region, tasked with prevention, management, and resolution of violent conflicts, IGAD has been involved in the restoration of peace in South Sudan since the inception of the civil war in December 2013. Although IGAD has led the South Sudanese peace process from the onset, its success and achievement are subject to critiques and debates. Thus, this article



discusses the contributions, limitations, and challenges of IGAD in its efforts to restore peace in South Sudan lasting from December 2013 to August 2018. More precisely, the article tries to address three important questions. What efforts have been made by IGAD to restore peace in South Sudan? How far was the IGAD's success in restoring peace in the country? And, what limitations and challenges have IGAD faced?

### **Methodology**

This article is carried out under the philosophical orientation of constructivism. Constructivism as a paradigm has enabled the researcher to comprehend the multiple and competing perspectives of different authors about the peace process in South Sudan. The article employed a qualitative research approach. This approach was helpful to explore multiple forms of understandings and perspectives of authors about the IGAD peace process in South Sudan from the contexts and realities of the nature and impact of the conflict. In its research design, this article employed a qualitative case study design as its main emphasis is only IGAD as a sub-organization responsible for making peace in the Horn of Africa. In so doing, this study relied on a desk review of the existing empirical literature. Secondary sources of data such as articles, books, book chapters, and research outputs, regional and international organizations' policy documents such as that of the AU, UN and other regulatory bodies were extensively used for this study.

### **IGAD's Contribution to the Resolution of the South Sudan Conflict**

Since the beginning of the conflict, IGAD took the lead to respond to the atrocities and to mediate the conflict (Grang, 2015; ICG, 2015). IGAD's instrumental role in the conclusion of the CPA in 2005 has also continued by offering good offices for dialogue and peace mediations during the conflict (Maru, 2016; Ngunia, 2014). Moreover, IGAD's leading role is essentially in line with the idea promoted by the AU, *i.e.* 'African solutions to African problems' and that local conflict should be dealt with by regional mechanisms (Motsamai, 2017). Similarly, Kubah (2015) argues IGAD's intervention in the conflict demonstrated a commitment of African leaders in taking primary responsibility to solve the continent's peace and security challenges.



In response to the atrocities of December 15, 2013, IGAD sent a Ministerial Delegation<sup>1</sup> led by the former Ethiopian Foreign Minister and now the General Director of World Health Organization (WHO), Dr. Tedros Adhanom to Juba on 19 December 2013 (Maru, 2016). Since then, IGAD attempted preventive diplomacy measures to contain the violence and called the government and political oppositions to support political dialogue (Grang, 2015). This shows IGAD's swift involvement to resolve the conflict, thereby, giving a sense of hope and commitment among the regional leaders (ICG, 2015).

Consequently, IGAD's Ministerial Delegation was able to get the commitment of President Kiir and the leader of rebels, the former Vice-President, Riek Machar to sit for political dialogue (Maru, 2016). Moreover, from 17 to 19 December, IGAD Council of Ministers along with the AU Commissioner for Peace and Security, Ambassador Ramtane Lamamra, and the UN Special envoy to the AU, Haile Menkerios, undertook a two-day fact-finding mission to Juba to assess the situation and to urge president Kiir and other parties to consider announcing an immediate cessation of hostilities and commencing peace negotiations (Motsamai, 2017). Although IGAD has received credits for taking the lead, it was also blamed for failing to intervene at crucial stages of the conflict build-up by disregarding early warning reports that were provided by the Conflict Early Warning Mechanism (CEWARN) and Mediation Support Unit (MSU), which indicated that the crisis was already looming in South Sudan since the beginning of 2013 (Grang, 2015).

In addition to the Ministerial delegation, on December 20, Special Forces of the Ugandan People's Defence Forces (UPDF) were deployed to Juba at the request of the government of the Republic of South Sudan (GRSS) though this was subjected to critics from the rebel groups and neighboring countries like Sudan. Uganda claimed that its military intervention was to assist the evacuation of Ugandan citizens from South Sudan and to protect vital installation which was commended by IGAD on 27 December 2013 (Grang, 2015; ICG, 2015). Moreover, recognizing the crisis, under the leadership of IGAD in collaboration with AU, Uganda deployed regional stabilization and protection forces of 2000 troops named UNMISS, which was authorized by the

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<sup>1</sup>A delegation consisting of IGAD member state foreign ministers – operating under the IGAD 'council of ministers' mechanism – as well as the AU Commissioner for Peace and Security and the UN Special Envoy to the AU went to Juba on 19 December 2013. 'Communiqué of the 23<sup>rd</sup> Extraordinary Session of the IGAD Assembly of Heads of State and Government on the Situation in South Sudan', Nairobi, 27 December, 2013.

UN Security Council under Resolution 2155/2014 (Maru, 2016). UNMISS was mandated to peace enforcement with 12,500 troops and more 1323 police under the former Ethiopian UNISFA Force Commander (UN Secretary-General Report, 2018).

Following the IGAD's Ministerial Delegation and the deployment of the UNMISS and Ugandan forces, on 26 December 2013, the former Ethiopian Prime Minister Hailemariam Dessalegn, who chaired IGAD, visited Juba with Kenyan president, Uhuru Kenyatta, to meet president Kiir, members of his cabinet and some detained leaders of the Sudan People's Liberation Movement – in-Opposition (SPLM-IO). After the meeting, IGAD called an emergency summit on 27 December 2013 at the Head of States and Government (HoS) level (Motsamai, 2017). At the same time, the IGAD summit issued the establishment of the office of IGAD Special Envoy for South Sudan in Nairobi for mediation purposes. After certain disagreements on the choices of envoy and focus of the mediation, the 23<sup>rd</sup> extra-ordinary session of IGAD summit appointed three special envoys from Ethiopia, Kenya, and Sudan (IGAD communiqué of 23<sup>rd</sup> extra-ordinary summit, 2013). Thus, the IGAD special envoy was appointed to lead the mediation process composed of Ambassador Seyoum Mesfin of Ethiopia, who chaired the envoy, General Lazaro Sumbeiywo of Kenya and General Mohammed Ahmed Mustaf El Dabi of Sudan (Motsamai, 2017).

The mandate of the special envoy was to mediate and urge the parties to move towards a speedy and peaceful resolution of the conflict through constructive dialogue. It was also mandated to review the status of detained SPLM leaders and engage the warring parties to reach an all-inclusive and fair peace agreement. However, the tensions in the oil-rich country had pitted neighbors and IGAD members against each other (Maru, 2016). For example, some analysts have argued Uganda and Sudan, Ethiopia and Eritrea, Kenya and Egypt supported different sides in the conflict and competition was reflected in the internal processes of constituting the IGAD envoy team (Mesfin, 2015). Further, the scope of the mediation was another source of conflict within IGAD members (Motsamai, 2017).

In the mediation perspectives, since the outbreak of the conflict, IGAD as the regional body of the Horn called for many peace talks and several cessations of hostilities agreements mainly were signed between 23 January and 25 August 2014. However, repeated violations of peace agreements by both parties slowed down the peace process (Sudan Tribune, 2015a). On 23

January 2014, the signing of the Agreement on the Cessation of Hostilities (CoH) and The Status of Detainees by the Government of the Republic of South Sudan (GRSS) and SPLM/A-In Opposition (IO) in Addis Ababa in which IGAD was instrumental that marked as the first significant step in finding a lasting peaceful political solution to the crisis (IGAD communique of 23<sup>rd</sup> extra-ordinary summit, 2014a; ICG, 2015). Further, the IGAD communiqué of the 24<sup>th</sup> extra-ordinary session held on 31 January 2014 in Addis Ababa urged both parties to respect and fully implement the agreement (IGAD communiqué of 24<sup>th</sup> extra-ordinary summit, 2014b). As a result, both parties agreed to cease all military actions aimed at each other and any other action that may undermine the peace process and the coming to effect of this agreement (IGAD Agreement on Cessation of Hostilities, 2014a). Moreover, part of the agreement, both parties agreed on the protection of civilians and humanitarian accesses (ICG, 2015).

However, in a period of less than a month, in February 2014, IGAD expressed serious concerns over reports of continued fighting in different parts of the country and it urged the parties to adhere to the CoH. Consequently, a press release from IGAD Special Envoy announced peace negotiations from 3 to 20 March 2014 to oversee the progress of implementation of the monitoring mechanism planned in the Agreement (IGAD press release, 2014). Following the press release, the IGAD Assembly of HoS held in its 25<sup>th</sup> extra-ordinary summit on 13 March, 2014 in Addis Ababa discussed the signing of the implementation modalities of the Agreement on Cessation of Hostilities by the government and the SPLM/A-IO, which was also a significant step in the implementation of the Monitoring and Verification Mechanism (IGAD communiqué of the 25<sup>th</sup> extra-ordinary summit, 2014c).

With all the peace talks and several cessations of hostilities signed on 23<sup>rd</sup> January, yet IGAD as an institution struggled to overcome the warring parties' unwillingness to implement the agreements (ICG, 2015). More specifically, contentious aspects of the 23 January 2014 CoH and the nature of a regional force were left unaddressed (Maru, 2016). Furthermore, the continued and deliberate violations of agreements including the 23 January 2014, 6 May 2014 and 9 May 2014 worried IGAD so much (ICG, 2015). At the same time, the IGAD Special Envoys received reports from the IGAD's MVM on heavy fighting in Bentiu on 30 August 2014 (IGAD press release, 2014d). The press release further noted the Special Envoys reiterate the Re-Dedication

of and Implementation Modalities for the Cessation of Hostilities Agreement signed on 25 August 2014 in Addis Ababa (*Ibid.*).

In October 2014, IGAD called multi-stakeholder peace negotiations in Bahir Dar, Ethiopia. This was considered substantial progress in determining the arrangements necessary for the formation of a Transitional Government of National Unity (TGoNU) in South Sudan (UN Secretary-General Report, 2018). According to the reports of the IGAD Special Envoy, this session of talks has made substantial progress than any other (IGAD press release, 2014e). The negotiating parties have demonstrated a great deal of political will and seriousness to close gaps on critical issues under discussion. Among the issues that the participating stakeholders discussed were the system of governance, function (mandate) of the TGoNU, structures of the TGoNU, size of the cabinet, seats, structure, and size of the legislature, pre-transitional and transitional period, decision-making mechanism in the TGoNU and dispute resolution mechanism concerning the agreement, and duties and responsibilities of the executive (*Ibid.*). Although several agreements have been made, few remaining issues were critical that required the parties at the level of the agreements (Grang, 2015; Jok, 2015).

On the other hand, the warring parties still demonstrated a level of inflexibility and repeatedly boycotted many peace talks over many issues including the October 2014 IGAD summit held in Bahir Dar (Rolandsen, *et al.*, 2015). According to Wilson (2014), the situation in South Sudan is a non-dialogue environment in which the use of force as a means to address grievances. In a similar vein, the ICG (2015) report indicated that the war was becoming increasingly intractable accompanied by considerable fracturing and divisions within the warring parties, spreading conflict, economic deterioration, and increasing regional tensions.

Throughout the peace processes, IGAD has shown its commitment to resolve the South Sudan conflict. The number of IGAD summits is an indication of its commitment. However, due to the complex issues and actors, IGAD was incapable of putting unified pressure on the conflicting parties who were unable to reach agreements (ICG, 2015). As Jok (2015) pointed out, the various peace processes have ended in disagreements and have collapsed several times since the parties missed several crucial deadlines that IGAD and the international community had imposed on them including the 23 January and 25 August 2014, and 6 March 2015 agreements. This is partly because IGAD faced regional and institutional challenges that were manifested during the

original IGAD mediations (ICG, 2015). In this regard, Booth (2016) argues the viability and merits of IGAD-led peace processes depend on the circumstances of the region, *i.e.* the relationships between the states in question, and the presence or absence of regional hegemony. Despite pressures and threat of sanctions from IGAD members and suspension of aid from the global community, IGAD-led peace processes that have been ongoing since January 2014 have not been able to persuade the warring parties to reach any compromise (Jok, 2015).

Despite the above challenges, IGAD continued its utmost efforts to bring belligerent parties to stop hostilities and return to the negotiation table than aiming at imposing sanctions and other punitive actions against the parties hindering the peace processes (Maru, 2016). After fifteen months of unsuccessful IGAD mediations and following the suspension of the 6 March 2014 agreement, the special envoy and IGAD HoS have been convinced that the involvement of other international actors in the peace efforts could contribute to a peaceful settlement of the conflict (ICG, 2015). In a related manner, Booth (2016) also assured that mediation from outside the immediate region, with no direct interests at stake, remained as the alternative and could bring a greater number of partners around the table in support of the IGAD mediators. In so doing, IGAD leaders and partners proposed the expansion of the peace process through the IGAD-Plus formula, considered as a new configuration, was announced in March 2015 (UN Secretary-General Report, 2015). The IGAD-Plus entails the expansion of the mediation team to incorporate key regional and international stakeholders to collectively exert the necessary pressure on the conflicting parties and offer incentives so that an inclusive and comprehensive peace agreement can finally be reached (Grang, 2015). The IGAD-Plus is composed of IGAD members states (Djibouti, Ethiopia, Kenya, Somalia, Sudan, and Uganda), the AU (High-level *ad hoc* Committee for South Sudan, *i.e.* Algeria, Chad, Nigeria, Rwanda, and South Africa), UN, EU, Troika States (United States, United Kingdom, and Norway), China and the IGAD Partners Forum (IPF)<sup>2</sup> (Booth, 2016; Grand, 2015; ICG, 2015).

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<sup>2</sup>The IPF is largely comprised of IGAD's donor partners and has three-levels of membership: the ministerial, ambassadorial and technical. The IPF is currently co-chaired by the Italian government and is comprised of the following members: Austria, Belgium, Canada, Denmark, France, Greece, Germany, Ireland, Italy, Japan, the Netherlands, Norway, Sweden, Switzerland, UK, U.S., European Commission (EC), and International Organization for Migration (IOM), United Nations Development Program (UNDP) and the World Bank.

However, prior to the IGAD-Plus mediation, the roles of IGAD partners have been critical for they have been regularly engaged in supporting the IGAD mediation in ultimately unofficial ways, for example, through financing the peace talks (Booth, 2016). Although regional and international partners were involved in the mediation process through the IGAD-Plus, IGAD was still at the core of the mediation. IGAD-Plus with the wider international community support was expected to reach an agreement by 17 August on the original IGAD ‘synopsis document,’ which outlined the basics of power-sharing ratio and transitional governance and security arrangements (ICG, 2015). Meanwhile, under the framework of the Agreement on the Reunification of the Sudan People’s Liberation Movement called ‘the Arusha Agreement’ held on 29 May in Nairobi, Kenya attended by the co-guarantors, namely the Tanzanian and South African ruling parties, Chama Cha Mapinduzi (CCM) and the African National Congress (ANC), facilitated a dialogue between the three SPLM factions (the Government, SPLM/A-IO and the former detainees) to address leadership and political issues in the party (Motsamai, 2017; UN Secretary-General report, 2015). The government objected to some provisions of the summary related to executive power-sharing and transitional security arrangements (Booth, 2016). Similarly, the SPLM-IO renewed its demands for compensation and reparations, federalism and proportionate power-sharing in all 10 conflicting states of South Sudan (UN Secretary-General Report, 2015).

For further discussions, the IGAD–Plus special envoys held a meeting from 21 to 23 July 2015 in Addis Ababa to review the compromise peace agreement on ‘the Resolution of the Conflict in the Republic of South Sudan’ proposed by IGAD. The draft agreement includes, *inter alia*, provisions on the framework of a Transitional Government of National Unity, permanent ceasefire and transitional security arrangements, humanitarian assistance and reconstruction, resource, economic and financial management, transitional justice, accountability, reconciliation and healing; the permanent constitution; and the joint monitoring and evaluation committee (UN Secretary-General report, 2015). To this effect, the government, SPLM-IO and the former detainees resumed discussions and negotiations on the compromise peace agreement in Addis Ababa on 6 August 2015. According to the UN Secretary-General Report (2015), the main areas of disagreement between the parties pertained to three key issues namely: (a) the power-sharing arrangements between the president and the first vice-president, (b) the distribution of positions in the conflict-affected states of Jonglei, Unity and the Upper Nile States; and (c) security arrangements, in particular the process for the integration of the opposition forces into SPLA and

the question of the demilitarization of Juba. Following lengthy consultations between the parties, IGAD imposed an unsubstantiated peace agreement called ‘Compromise Peace Agreement for the Resolution of Conflict in South Sudan’ that was finally signed on 26 August 2015 in Addis Ababa (Sudan Tribune, 2015b).

Although the IGAD–Plus led mediation was successful to reach the August 2015 peace agreement, implementation became another critical challenge. One of the key structures established in terms of the peace agreement was the Joint Monitoring and Evaluation Commission (JMEC) chaired by the former president of Botswana, Festus Mogae to monitor its implementation (Motsamai, 2017). The JMEC’s mandate was to strengthen IGAD’s mediation to maintain close contact with the South Sudanese parties and interact with the IGAD leaders (*Ibid.*). However, its work was complicated by a near-collapse of the peace deal in July 2016 (UN Secretary-General Report, 2018). The parties expressed little commitment towards the implementation of the agreement and some of the warring parties resisted it. The worst is that there were continued fighting in some parts of the country including Juba (Booth, 2016). Since then, violations and frequent attacks against civilians continued and the suffering of the South Sudanese populations seems unlikely to end (UN Secretary-General Report, 2018).

IGAD’s leadership and commitment to the people of South Sudan continued and has remained active. Despite the difficulties ahead, IGAD continued to strive to bring the warring parties to the table for dialogue. In its thirty-first extraordinary summit held in Addis Ababa on 12 June 2017, the IGAD Assembly of HoS decided the August 2015 peace agreement should be urgently revitalized (IGAD communiqué of the 31<sup>st</sup> extraordinary summit, 2017a). In so doing, a High-Level Revitalization Forum on the peace agreement was convened on 18 December 2017 (UN Secretary-General Report, 2018). The IGAD Revitalization Forum highlighted a review of the implementation and oversight mechanism for a revised 2015 peace agreement as well as resource mobilization for its implementation. Following the successful Revitalization Forum, the parties in the conflict signed the Agreement on Cessation of Hostilities, Protection of Civilians and Humanitarian Access on 21 December 2017 (IGAD Revitalization Forum, 2017b).

Although the new Agreement came into effect on 24 December 2017, it has been breached repeatedly by the parties in various parts of the country (UN Secretary-General Report, 2018). This was an indication of the fact that the agreement did not translate into a real commitment on



the part of the warring factions. According to the AU PSC (2018) report, a few hours after representatives of the ruling party and opposition groups signed the ceasefire agreement, there were already reports of violations. Similarly, the UN Secretary-General (2018) reported fighting incidents have already continued. The General-Secretary report further added the continuing military actions and widespread violence have resulted in escalating a humanitarian crisis in which more than 5 million people were suffering from severe food insecurity and 4 million South Sudanese have been displaced (*Ibid.*).

With no sign of hopelessness, IGAD continued its tireless efforts to the political solutions of the South Sudan conflict. On 27 January 2018, IGAD released a strongly worded communiqué on its readiness to ‘take all necessary measures including targeted sanctions against individual violators and spoilers’ (AU PSC, 2018; IGAD communiqué of 60<sup>th</sup> extra-ordinary summit, 2018a). After long and complex IGAD peace mediation processes, on 27 June 2018, IGAD has achieved remarkable progress in the meeting between President Salva Kiir and Reik Machar held in Khartoum, Sudan which culminated in the signing of the Khartoum Declaration Agreement committing the South Sudanese parties to a permanent ceasefire (AU High-Level Ad Hoc Committee, 2018).

More recently, the IGAD Heads of State and Government convened an extra-ordinary Summit on 5 August 2018 in Khartoum, Sudan on the resolution of the conflict in the Republic of South Sudan. During the Summit, the IGAD Heads of State and Government were briefed by the former president of Sudan H.E. President Al Bashir who chaired the meeting on the progress made so far on the Khartoum Declaration Agreement as well as the outstanding issues on governance and security arrangements (IGAD communiqué of 61<sup>st</sup> extraordinary summit, 2018b). The IGAD leaders hailed the progress achieved on the issues referred by the IGAD Summit of the 32<sup>nd</sup> Extra-Ordinary Assembly of IGAD Heads of State and Government held on 21 June 2018 in Addis Ababa (*Ibid.*). Cognizant of the momentum created so far, IGAD leaders noticed that after the signing of the Agreement on Outstanding Issues on Governance and Security Arrangements on 5 August, President Omar Hassan Al Bashir shall continue facilitating the talks with the same spirit of inclusivity and commendable vigor until the Revitalized ARCSS is finally signed. In this regard, it was agreed that H.E. Uhuru Kenyatta supports the next phase by deploying a team of experts to support the finalization of the process.

## **Challenges of IGAD in the Resolution of South Sudan Conflict**

Since its involvement in the mediation process, IGAD has faced various challenges. Below are some of the key challenges of IGAD in seeking peace in South Sudan.

### ***Lack of Legitimacy***

Mediations need to have legitimacy among conflicting parties and other stakeholders. However, IGAD-led mediations in South Sudan suffered from a lack of legitimacy, trust, and credibility from various stakeholders of the conflict (Maru, 2016). In a similar vein, Ngunia (2014) also examined IGAD lacks credibility and impartiality in its mediation processes from various warring parties and other stakeholders since one of its members, Uganda is directly involved in the conflict. Ngunia further added that IGAD and its Secretariat display a lack of a genuine grasp of South Sudanese socio-cultural dynamics and representation of various actors (*Ibid.*). For example, IGAD's proposal on the power-sharing formula did not represent all ethnic groups (ICG, 2015; Jok, 2015). Such exclusive mediation processes never developed trust and understanding between the parties and thus led to the failure to commit to wide-ranging reconciliations of IGAD peace efforts (Maru, 2016). Although IGAD managed several peace talks since the beginning of the conflict, it has not yet well managed to overcome lack of trust among the government, SPLM-IO, and other various stakeholders, and thus the implementation of the agreements was far behind schedule (Jok, 2015; Ngunia, 2014).

### ***Lack of Support from the International Community***

Although exclusive IGAD-led mediation was expanded to IGAD-Plus to attain more support and partnership from the international community, IGAD has failed to gain necessary backing from the wider international community (UN Secretary-Generall, 2018). In a similar fashion, Ngunia (2014) asserted that IGAD lacked key security infrastructure from the international community. Worst of all is that while the new robust initiative of the IGAD-Plus helped to dilute the rift within IGAD and eventually resulted in the August 2015 Agreement, the international community itself repeatedly engaged in competing interests and positions (Jok, 2015). Divergent positions of the Troika which were led by the US on the one hand and China and Russia, on the other hand, led to the UN Security Council fell short of imposing an arms embargo on the warring factions that presided over horrific attacks on civilians including forced cannibalism,

killings, mass rape and other atrocities (UN Secretary-General Report, 2018). The UN report further added that competing interests over South Sudanese oil was believed to be the driver behind this divergence between the global powers, particularly the US and China (*Ibid.*).

### ***Non-Inclusive Peace Processes***

Another major challenge of IGAD was the non-inclusive peace talks. In this regard, Booth (2016) stated that the notion of an inclusive multi-stakeholder process was a major point of contention among conflicting parties and external actors in the conflict. According to Maru (2016), IGAD has been criticized for the limited scope of the negotiations and exclusion of other key stakeholders whose participation could have been necessary to restore and build sustainable peace in the country. Similarly, ICG (2015) assured that IGAD-led mediation processes lacked public cooperation. Booth (2016) also found out the absence of openness and public discourse in South Sudan's transition led to a lack of the broad public participation it desperately needs. Further, both the IGAD mediation and the expanded IGAD-Plus peace processes were characterized by what a Canadian conflict analyst, John Young, calls a 'top-down approach of peacemaking' (Young, 2007, p. 7).

According to Booth (2016), the IGAD peace processes were simply reconciling two warring parties, mainly the government and SPLM-IO, *i.e.* too narrow and short-sighted to reset the country into a new and more viable path. Similarly, Maru (2016) examined from the perspective of the mediation process that the incumbent and rebel groups in the South Sudan crisis were not the only legitimate and *de jure* representatives of the South Sudanese people. Maru further added that recognizing dialogue between the two SPLM factions will not address the problem sustainably rather an inclusive dialogue among all forces in South Sudan can address major national questions (*Ibid.*). In this regard, the ICG (2015) assured that there were many factions of the SPLM-IO leaders who have no relationship to the SPLM and were not in the peace process mediated by IGAD. In a similar vein, Ngunia (2014) examined the phases of the peace processes and regarded it as 'inclusive only in name.' Ngunia further added that though the civil society, faith-based organizations, women group, and other political parties graced the consultative meetings, they were excluded from the processes of the negotiations, which were reserved for the three SPLM factions (*Ibid.*). Similarly, Tubiana (2014b) insisted that civilian stakeholders were

undermined during the negotiations, and also manipulated by the main warring parties where 80% of civilians were victims of the civil war.

### ***Regional Interests and Rivalries within the Region***

According to Grang (2015), every conflict involves the interests of external actors and has often-regional implications. Grang further noted that external actors in any given conflict situation do not only pose their interests but also make extra influence either towards the negotiation of parties or spoiling the conflicts (*Ibid.*). In this regard, Ngunia (2014) also argued that the biggest challenge that IGAD has faced in resolving the conflict in South Sudan was the external interference and interests from neighboring countries mainly Uganda and Sudan and to some extent Ethiopia and Kenya. In a similar way, Maru (2016) also assured that competing interests in the region and international supporters of the talks not only contributed to slow down the pace of the peace processes but also complicated the implementations of the peace agreements. ICG (2015), however, stated that one of the major factors which limited IGAD's mediation is regional rivalries and power struggles. Furthermore, according to Adama Dieng, the UN secretary general's special adviser for the prevention of genocide described that although IGAD members are the mediators in the South Sudanese crisis, large amounts of weapons and ammunition are flowing through Uganda and Kenya (AU PSC, 2018).

Moreover, Healy (2011) asserted that IGAD peace initiatives are political, which were largely influenced and executed by one or more member states and external donors. Thus, it is not surprising that IGAD initiatives in South Sudan are also conceived and largely executed by one or more interested member states (Maru, 2016). Similarly, Grang (2015) argued at the regional level, what is worst is that there are tensions amongst IGAD members. These extended up to a confrontation with the use of proxy wars where member states support rebels of each side. More specifically, the historic enmity between Uganda and Sudan over their respective influence on regional security negatively impacted the IGAD mediation processes (ICG, 2015). This is because the presence of Ugandan People's Defence Forces (UPDF) on South Sudan's soil angered Sudan as it considered as proxy tactics and alleged Uganda's support to its rebels (Maru, 2016). On the other hand, Uganda has been accusing Sudan of supporting insurgency within Uganda, mainly the Lord Resistance Army (LRA) in its territory of Darfur and Central African Republic (CAR) (Grang, 2015). According to Maru (2016), Uganda's unilateral military

intervention in South Sudan remained a critical challenge to IGAD as Uganda openly aligned itself supported President Kiir and played a negative role in emboldening the Government in Juba to defy peace efforts.

### ***Financial Constraints***

IGAD lacked the financial capacity for its peace process since the outbreak of the conflict (Ngunia, 2014). There is no doubt that the peace talks required organizational and logistic efforts that were beyond the financial capacity of IGAD. However, the IGAD secretariat successfully institutionalized donor support largely through the IGAD-Plus partners which include China, Troika, AU, EU, and members of the IGAD Partner's Forum (IPF) with different interests (ICG, 2015; Jok, 2015). According to Grang (2015), China's role in the advancement of peaceful resolution of the conflict commenced with IGAD's early mediation processes where it contributed financial support to the process arguing the parties to reach a quick solution. However, Grang further discussed that China's interest in South Sudan was coupled with its strategic relations and influence in the region (Ethiopia, Kenya, Sudan, and South Sudan). It plays a vital role in engaging the parties bilaterally or collectively towards a nationally owned agreement (*Ibid.*). More specifically, IGAD received one million dollars from China for the mediation process at the beginning of 2014 and continues to engage high-level representation of its special envoy to South Sudan and Sudan (Jok, 2015).

### **Conclusion**

Since its expanded mandate in 1996, IGAD has been working to ensure regional security in the Horn of Africa. As a regional organization, IGAD has made the utmost efforts to improve the peace and security of the region. To this effect, the organization has been involved in many conflict resolution activities to address both intra- and inter-state conflicts in the region as in Somalia, Sudan and recently in South Sudan. Although IGAD claims it has achieved considerable successes in mediating the conflicts in Somalia, Sudan, and South Sudan, it has been subjected to critics and debates.

Nevertheless, as discussed in the preceding sections, IGAD is a substantially relevant primary actor in the restoration of peace in South Sudan from the onset of the conflict in December 2013 to the end of the conflict in August 2018. More fundamentally, the IGAD-led peace processes in

South Sudan are important successes in the era of the organization's expanded mandate next to Sudan and Somalia. During the five years of the South Sudan conflict, IGAD took the lead to mediate the conflict and played a critical role and achieved remarkable success. It is the IGAD that led mediations since the beginning of the conflict in 2013 to the final resolution of the Khartoum Declaration Agreement on outstanding issues on governance and security arrangements among warring parties held on 5 August 2018 in Sudan. The Khartoum Declaration Agreement helped both parties to reach an agreement including the formation of the new unity government to rule for the next three years. The acceptance of the IGAD proposal on power-sharing in the transitional government's legislative and executive members by warring parties is another achievement although it is early to judge its implementation. The tireless engagement of IGAD in South Sudan is another recent bright success in the history of the organization.

Although IGAD has achieved considerable success in mediating the South Sudanese conflict, it has been challenged by the lack of a comprehensive regional security approach. The organization still restricts on old-fashioned interstate rules of respect for territorial sovereignty and non-interference in each other's affairs. Such mechanisms significantly restrict the organization's mandate on regional security in the region mainly in addressing up-to-date contemporary peace and security threats and challenges in the region. IGAD is disturbed by conflicts among its member states. The relations among member states are characterized by mutual mistrust, shifting and building alliance and power play to other external global powers.

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## **Socio-economic Impacts of Human Trafficking among West Asia Returnee Young Women in West Shewa Zone of Oromia, Ethiopia**

Abdisa O. Jima\*

### **Abstract**

*The impacts of human trafficking are currently high across the world albeit different policies are designed to combat it. Yet, governments are not working hard practically and jointly as they write strategies and programs on the paper to reduce the impacts of women trafficking. Even though men are victims of human trafficking, scholars agree that women are the most vulnerable to human trafficking. This study describes the socio-economic impacts of human trafficking among the west Asia returnee young women in Ethiopia by taking Oromia Region's West Shewa zone as a case study. The study used the mixed-method approach. A descriptive case study research design was applied for a detailed description of the socio-economic impacts of human trafficking among west Asia returnee young women. Feminism theory was employed to scrutinize the oppression of young women. The finding reveals that human trafficking caused the divorce of marriage and exposed children to the street because of unwise savings and disagreement of spouses; psychological and physical threats of young women on the way to work, at the workplace and after return; wastage of income as a result of saving money in the wrong place; economic crisis because young women had to pay back the loan to brokers – traffickers – and could not repay the money for lenders; and school dropout. From the finding, it is concluded that although young women exposed to human trafficking by the vision of having their job in the future and the income they could generate in West Asia. They had a dream to improve their lives, they could not realize their dream since they were unable to save the money thereby leading them to social and economic crises. Hence, it is recommended that issues of human trafficking should be incorporated into the school curriculum, at least at the elementary level, so that young women get better awareness about the negative consequences of human trafficking and abstain from traffickers. It is also recommended that young women who work abroad legally should open their formal bank account to save their wages to escape social and economic crises when they return.*

**Keywords:** *Human Trafficking, Irregular Migration, Returnee Women, Ethiopia, West Asia*

### **Introduction**

The issues of human trafficking have been contemplated by different scholars at different times. Human trafficking is a humanitarian problem on a global scale (Mahmoud & Trebesch, 2009; Mahmoud & Trebesch, 2010; Niewiarowska, 2015; WHO, 2012). It is a complex phenomenon that is influenced by social, economic and cultural factors (Abdul Basit, 2018; OSCE, 2005; UNICEF, 2005, p. 5) and has become 'slavery of 21<sup>st</sup> century' (Aronowitz, 2016, p. 2).

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Trafficking of women and children, in particular, has become an alarming rate concern at global arenas (Shewly, 2013). Albeit recent media coverage of the global refugee and migrant crisis has used the terms trafficking and smuggling of migrants interchangeably, they refer to different things in the context of movement of people (Human Rights Watch, 2015). Hence, human trafficking and smuggling are two distinct but interrelated phenomena (IOM, 2018) that require different policy responses (Kleemans, 2011). Human trafficking is recruitment, transportation, transfer, harboring or receipt of people that brings high profits to traffickers through the acquisition and exploitation of human beings by improper means such as force, fraud and/or deception. On the other hand, the smuggling of migrants involves the facilitation of illegal entry of a person into a state of which that person is not national or resident for financial or other material benefits (Human Rights Watch, 2015; IOM, 2018; Kleemans, 2011; UNODC, 2020).

Trafficking can occur within a country and/or across borders. Women, men, and children are trafficked for forced and exploitative labor in factories, farms and private households, sexual exploitations, and forced marriages. It affects all regions and most countries of the world (UNHRHC, 2014). There are two sets of factors that are responsible for human trafficking: push factors that include corruption, conflict, poverty, and vulnerability and pull factors such as employment opportunity and life betterment (Bales, 2007). While both factors lead to trafficking and increase vulnerability, the root causes of female trafficking are gender discrimination, large family size, and poverty. Children are recruited from rural areas, usually poor families, for placement in the wealthiest family, usually urban areas, for domestic or sexual purposes (OSCE, 2005).

By the same token, Peerapeng *et al.* (2013) argued that factors such as exchange rate, democracy, migration, and population induce more traffic flow. Besides, Koettl (2009, p. 8) asserted that ‘economic exploitation is due to monopolistic labor markets.’ Economically speaking, the victims of trafficking redirect the financial benefits of migration from migrants, their families, communities, and governments to traffickers and their associates (UN, 2008). Economic exploitation is probably the biggest motivation behind most cases of human trafficking (World Bank, 2009). In the human trafficking market, the ‘consumers are employers of trafficked labors and the products are human beings’ (Wheaton, 2010, p. 114). If the fight

against trafficking is successful, funds currently used to fight trafficking crimes may be channeled towards alternative development initiatives (M' Cormack, 2011).

The human and social consequences of trafficking are compelling (UN, 2008, p. 4). Trafficking resulted in high social and economic costs of crime (Reed *et al.*, 2018, p. 26). The impacts of human trafficking on individuals and societies include physical abuse and torture; psychological and emotional trauma; sexual abuse; economic exploitation; gender discrimination; and political implications (Abdul Basit, 2018; UN, 2008). Trafficking undermines extended family ties and in many cases, the absence of women leads to the breakdown of families and neglect of children and the aged members of the family (M'Cormack, 2011).

Individuals, circumstances, situations defenseless to traffickers comprise of homeless persons, runaway teenagers, refugees, displaced homemakers, job seekers, kidnap victims, tourists, and drug/alcohol addicts (Abdul Basit, 2018, p. 78). The majority of transnational human trafficking victims are women – female teenagers, young and adults. When people have no choices, they may have no alternative but to subjugate themselves to exploitation (Koettl, 2009).

Africa faces a challenge as a region of origin for trafficked women and children as well as a region of destination in the sense that most trafficking appears to occur within the continent itself (UNICEF, 2005). Trans-national trafficking of human beings has been a serious problem for years particularly in West Africa (Sawadogo, 2012). To combat human trafficking in Africa, the African Union (AU hereafter) has not had a strong impact on the effect of reducing the seriousness of human trafficking because of state sovereignty practices and lack of the right incentives beyond human right assertions or positions for AU nations to change their migratory and trafficking practices (Mensah-Ankrah & Sarpong, 2017). The experience of African states demonstrates the extent to which effective counter-trafficking measures require to be comprehensive, integrated and targeted at multiple levels within society (UNICEF, 2003).

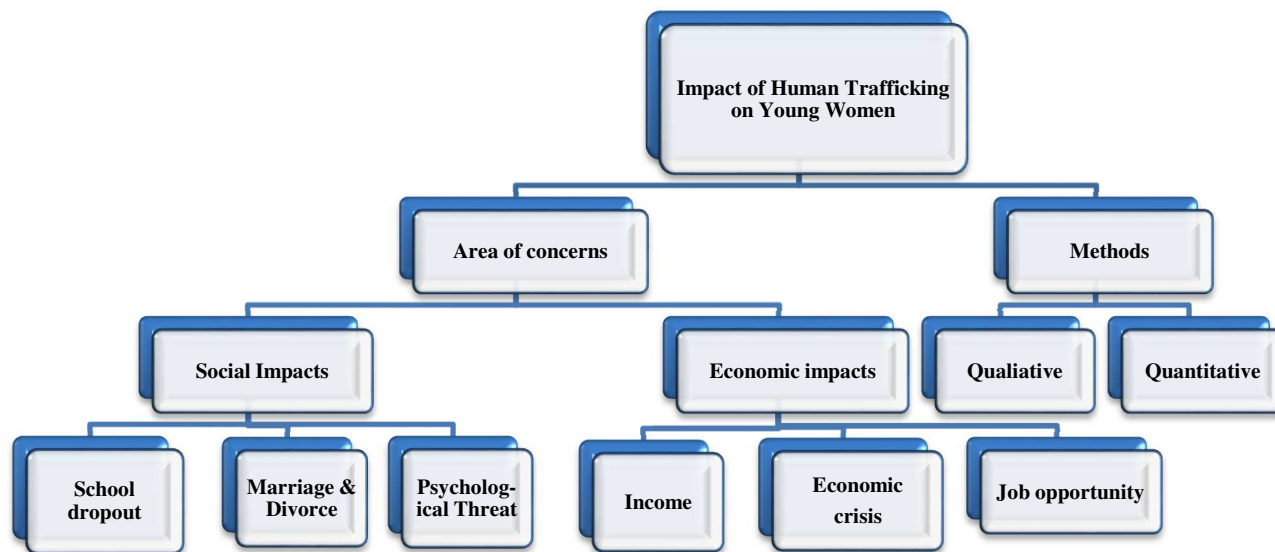
In Ethiopia, structural factors that motivate people to human trafficking are excessive social pressure for pecuniary success, family expectation, institutional submission to economic drives, the impact of migrant networks, the proliferation of migration institutions/employment agents, and peoples' bounded economic calculations. Likewise, poor children, young men, and women have been easily trapped in the trafficking net every day (Murugan & Biniam, 2014). Hence,

trafficking is becoming one of the social, economic and political issues in Ethiopia (Gudetu, 2014). Besides, Ethiopia is a source and, to a lesser extent, a destination and a transit country for men, women, and children subjected to forced labor and sex trafficking. Migrants are trafficked through the country *via* three major routes in the east, north, and south (IOM, 2015).

Currently, more than 225,000 women and children are trafficked, which accounts for more than one-third of global human trade in Asia (Perry & McEwing, 2013, p. 1). The number of trafficked Ethiopian women in the Middle East has dramatically increased (Gudetu, 2014). Hence, it needs attention to find the reason behind the increment of women trafficking to the Middle East and its impacts on the socio-economic condition of the returnee young women. This is the primary reason that motivated the researcher to conduct this study. Further, Gezie *et al.* (2019) asserted that the majority of migrants who went under trafficking were from Oromia regional state, making it the second motivational factor to undertake the study in this area. As a result, this study is designed to assess the impacts of human trafficking on socio-economic conditions among west Asia returnee young women in Ethiopia by taking West Shewa *zone* as a case study.

Different studies have been conducted on human trafficking in Ethiopia at different times. Gezie *et al.* (2019) found that half of the returned Ethiopian migrants were trafficked, and the associated factors with human trafficking were sex, household wealth quintile, smuggling status, exposure to seductive information about oversea life, risk-opportunity imbalance before departure, and feeling hopelessness for success at home. Besides, Gudetu (2014) studied that poverty and unemployment are the main causes of human trafficking. Albeit both studies contributed their parts to human trafficking in Ethiopia, they did not discuss the socio-economic impacts of human trafficking among returnee young women. Consequently, the present study is designed to describe the socio-economic impacts of human trafficking among west Asia returnee young women in West Shewa *zone* by using qualitative and quantitative methods. The theoretical framework of this research is summarized as follows.

**Figure 1: Conceptual Framework of the Research**



Source: Own Summary, 2019

### **Methodology**

To conduct this study, the researcher used a mixed-method approach, *i.e.*, qualitative and quantitative methods. Further, a descriptive case study design was applied for a detailed description of the socio-economic impact of human trafficking among west Asia returnee young women. The qualitative method was used to collect information through a semi-structured interview and focus group discussions from West Shewa *Zone's* Women, Children and Youth Affairs Offices, selected *woredas'* women, children and youth offices and west Asia returnee young women. Besides, the feminist theory was used to analyze qualitative data, particularly, to describe the challenges those women faced on the way, at the workplace and after they return. 'Feminist research is described in terms of its purposes of knowledge about the lives of women, advocacy for women, analysis of gender oppression, and transformation of society' (McHugh, 2014). Feminist research draws upon the struggles and insights of oppressed and disempowered groups, in particular, women, placing them at the center of the research inquiry (Whillsher & Goel, 2017).

The quantitative method was also used to describe the effect of the human trafficking on the income of returnee young women, their livelihood, and ways of life, kinds of the job the returnee created after they had returned. Quantitative data were collected through questionnaires from



west Asia returnee young women. In this study, both open-ended and close-ended questionnaires were distributed to 436 west Asia returnee young women and discussed under the analysis section.

The target population of this study included young women who returned from west Asia like Saudi Arabia, Lebanon, UAE, Qatar, Kuwait, and Yemen and were victims of human trafficking. The researcher purposively selected six *woredas* where the rate of trafficking is said to be high in the West Shewa zone. The *woredas* include *Adea Berga*, *Dandi*, *Ejere*, *Jaldu*, *Meta Robi* and *Meta Welkite*. A stratified sampling technique has been used in such a way to draw the sample size of each *woreda* independently. Yet, for each *woreda*, the sample size was determined by using Yemene (1967) formula:

$$n = \frac{N}{1+N(e)^2}$$

Where: N = total number of the target population

n = sample size

e = level of precision = 0.1

The data of the participants did not include those who are still working in West Asia. The sampled participants were only returnee young women as explained in table 1 below.

**Table 1: Sample Participants**

No.	<i>Woredas</i>	No. of Returnees	Sample Participants
1.	Adea Berga	400	80
2.	Dandi	216	68
3.	Ejere	275	73
4.	Jaldu	280	74
5.	Meta Robi	198	66
6.	Meta Welkite	300	75
	<b>Total</b>	<b>1669</b>	<b>436</b>

Besides, 6 focus group discussions, each consisting of 10 participants, were made with returnee young women to learn from their experiences. For each *woreda*, one focus group discussion was conducted. Therefore a total number of 60 participants shared their experiences. Finally, the collected data were analyzed by the multi-stage method, qualitative and quantitative, data analysis. The qualitative data were analyzed by the content and thematic method of analysis, whereas the quantitative data were analyzed by SPSS version–20 by using simple statistical

frequency distribution. Then, information obtained from the quantitative method was triangulated with information obtained through qualitative methods.

## Results and Discussion

### Demographic Characteristics of Participants

Most of the victims of human trafficking are women, especially, those who are influenced by peer pressure and brokers – usually by human traffickers. Koettl (2009) argued that the majority of transnational human trafficking victims are women, *i.e.* female teenagers, young and adults. The demographic characteristics of the participants were summarized as follows in Table 2 below, focusing on their educational backgrounds, marital status, work status, and age.

**Table 2: Demographic Characteristics of Participants**

Personal Information	Respondents by <i>woreda</i>												Total	
	Adea Berga		Dandi		Ejere		Jaldu		Meta Robi		Meta Welkite			
	<i>f</i>	<i>P</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>P</i>	<i>f</i>	<i>p</i>		
Educational status	Write and read	39	48.8	33	48.5	36	49.3	36	48.7	32	48.5	36	48	<b>212</b>
	10 completed	28	35	23	33.8	25	34.3	25	33.8	23	34.8	26	34.7	<b>150</b>
	12 completed	11	13.8	10	14.7	10	13.7	10	13.5	9	13.6	11	14.7	<b>61</b>
	Diploma	2	2.5	1	1.5	1	1.4	1	1.4	1	1.5	2	3	<b>8</b>
	Degree	--	--	1	1.5	1	1.4	2	2.7	1	1.5	--	--	<b>5</b>
<b>Total</b>	<b>80</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>73</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>66</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>436</b>	
Marital status	Single	19	23.8	16	23.5	17	23.3	17	24	15	22	17	22.7	<b>101</b>
	Married	36	45	30	44.1	33	45.2	33	44.6	30	45	34	45	<b>196</b>
	Divorced	16	20	14	20.6	15	20.6	15	20.3	14	21.2	15	20	<b>89</b>
	Widow	9	11.3	8	11.8	8	11	8	10.8	8	12.1	9	12	<b>50</b>
	<b>Total</b>	<b>80</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>73</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>66</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>436</b>
Work status	Traders	29	36.3	25	36.8	27	37	27	36.5	25	37.9	27	36	<b>160</b>
	Homeworkers	20	25	17	25	18	24.7	18	24.3	16	24.2	19	25	<b>108</b>
	Dependent	31	38.8	26	38.2	28	38.4	29	39.2	25	37.9	29	38.7	<b>168</b>
	<b>Total</b>	<b>80</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>73</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>66</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>436</b>
Age	16-26	36	45	31	45.6	33	45.2	34	46	30	45.5	34	45	<b>198</b>
	27-37	29	36.3	25	36.8	27	37	27	36.5	24	36.4	27	36	<b>158</b>
	>38	15	18.8	12	17.7	13	17.8	13	17.6	12	18.2	14	18.7	<b>80</b>
	<b>Total</b>	<b>80</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>73</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>66</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>436</b>

N.B.: ‘f’ stands for *frequency* in numbers, while ‘p’ refers to the *percentage* of the same.

*Source:* Own Computation Based on Field Data, 2019

### *Educational Background of Participants*

Regarding the educational background of participants, the majority of them can write and read in all *woredas* under discussion. It is indicated in table 2 above that 48.8% in Adea Berga, 48.5% in

Dandi, 49.3% in Ejere, 48.7% in Jaldu, 48.5% in Meta Robi and 48% in Meta Welkite *woredas* have attended at least elementary school (grades 1–8) studies, and hence, can read and write. It is also evident that about one-third of the participants in almost all of the *woredas* have completed grade 10. Some post-high school diploma holders were exposed to human trafficking in all *woredas* because they preferred to go to west Asian countries in search of jobs. Moreover, a few degree holders were exposed to human trafficking in all *woredas*. Adea Berga and Meta Welkite *woredas* have no degree holder participants subjected to trafficking. Nonetheless, the number of women holding diplomas and degrees was extremely low when compared with those who can write and read, and grade 10 completed in all *woredas*. Due to pressure from peers and traffickers, most of them dropped their education and went to west Asian countries illegally. As the level of their education increases, the chance to be exposed to human trafficking decreases. Hence, there is an inverse linear relationship between women trafficking and levels of education.

### ***Marital Status of Participants***

The marital status of the participants showed that the majority, in all *woredas*, were married. Most of them are those who married as soon as they returned because men believed that returnee young women are rich. Meanwhile, this also exposed others to traffickers as it motivated other women to migrate presuming that they would marry as soon as they return home with the saved money. However, as indicated in the above table 2, a little less than one fourth (ranging from 22% – 24%) of the participants in all *woredas* are still unmarried (single) young women. The variation among single young women across the *woredas* is almost the same. Those women are also exposed to traffickers because their money is consumed either by their parents or spouses. It is also apparent that divorced and widows were exposed to human trafficking.

### ***Work Status of the Participants***

Concerning the work status of the participants, the majority of them in all *woredas* are still dependent on their parents since their money is consumed by others. Others – 36.3% in Adea Berga, 36.8% in Dandi, 37% in Ejere, 36.5% in Jaldu, 37.9% in Meta Robi and 36% in Meta Welkite *woredas* – are traders. Some of them opened small shops with the money they saved in small rural towns. In contrast, some of the participants in all *woredas* are working as housemaids – babysitting, preparing food, cleaning the house, fetching water and collecting firewood.

### ***Age Status of Participants***

Most of the participants – 45% in Adea Berga and Meta Welkite, 45.6% in Dandi, 45.2% in Ejere, 46% in Jaldu and 45.5% in Meta Robi *woredas* – were young women whose ages varied between 16–26 years. This indicates that traffickers focused on young women whom they can pursue, convince and traffic easily. Further, women whose ages are between 27–37 years old participated in all *woredas*. Productive women were exposed to traffickers for the search of better income and life without identifying the places of destination and how they arrived there. On the other hand, the degree of being exposed to human trafficking among women aged greater than 40 years old was low when compared with other participants. As their age increases, the possibility of women being exposed to human trafficking decreases, indicating an inverse relationship between the age of participants and human trafficking.

## **Social and Economic Effects of Human Trafficking on Young Women**

### ***Marriage and Divorce***

The finding revealed that human trafficking has two effects on the marital status of young women – positive and negative. Positively, young women who had returned from west Asian countries got a chance to marry since they came with money. Most young men were looking for females who had money. Men assumed that west Asia's returnee young women accumulated much amount of money. Hence, they want to marry them and take the money of those young women to become rich. Here, men could not understand or care about those females who put their all efforts to save the money. They were simply hurrying to marry them to own the money which they thought would realize their dream of becoming rich. This has become a habit in all areas under investigation. When we compare returnee young women with those who did not go to West Asia, the returnees have a wider chance to marry than the latter. Focus group discussants posited that the possibility to marry is high for returnee young women.

Negatively, the returnee young women ended their marriage for two reasons – the influence of social media and wastage of remittances by recipients. The main cause of divorce was the influence of social media. The married young women who went to west Asian countries were highly influenced by social media like Facebook, WhatsApp, Imo and Viber, and divorced their marriage and preferred to marry other men. While they were using social media, they were influenced by men who used social media. Most of those young women were from rural areas.

They were easily convinced by males who advertised themselves to such women carefully and wisely on social media. The interview results from West Shewa Zone’s Women, Children, and Youth Affairs Office Administrator showed that most of the males who did such activities are those who were living in urban areas.

Further, the living conditions and status of rural areas are not the same in urban areas. In west Asia, they worked in the house of the wealthiest people so that the living standard is high – they slept on a clean bed, worked in a clean environment and they easily accessed both electronic and social media. In contrast, they could not get such access and opportunities when they returned to their rural home – the place where they grew up and married former husbands. Hence, the returnee young women had to divorce their former marriage to abandon rural life, and then get married men from towns as a way out towards a better life.

The second reason for divorce was the misuse of the money sent by returnees from West Asia. The focus group discussants argued that ‘we preferred to send money to our brothers or parents believing that they could save money for us than to our husbands.’ Besides, the interview with returnee young women revealed that the money they sent to the members of their family spent for different purposes. Albeit their trust in their parents and brothers than their husbands, in terms of saving money, they could not get that money when they returned since it was totally consumed by their parents and/or brothers. On the other hand, their husbands expect money from them. When their husbands realized that the money they sent to either their brothers or parents was consumed, they preferred to divorce the marriage. Interview results of all *Woredas*’ Women, Children and Youth Offices exhibited that unless that money was saved carefully, it often resulted in suspicious relationships between spouses who led them to divorce.

**Table 3: Responses on Remittance as a Factor of Divorce**

<i>Remittance as Factor of Divorce</i>	<i>Respondents by Woreda</i>												<b>Total</b>
	<b>Adea Berga</b>		<b>Dandi</b>		<b>Ejere</b>		<b>Jaldu</b>		<b>Meta Robi</b>		<b>Meta Welkite</b>		
	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	
Yes	60	75	51	75	55	75	56	76	49	74	56	75	<b>327</b>
No	20	25	17	25	18	25	18	24	17	26	19	25	<b>109</b>
<b>Total</b>	<b>80</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>73</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>66</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>436</b>

*Source: Own Computation Based on Field Data, 2019*

Table 3 above shows that the majority of the young women in all *woredas*, about 75%, responded that the money that was sent from west Asia proved to be a leading factor of divorce except in cases where it was wisely saved. This partly arose from husbands' expectations that their spouses would return with some lump sum amount of money which might be useful to improve their livelihood. Contrarily, there is a probability in which divorce was initiated by the husbands when they realized that there is no saved money and the money was consumed by someone else. Some women, who trusted their husbands, often directly sent money to their husbands. Most of the young women sent their remittance to their parents, husbands, brothers or sisters, relatives, fiancés, and brokers as indicated in Table 4 below.

**Table 4: Recipients of Remittance**

Remittance Recipients	Respondents by <i>Woreda</i>												Total
	Adea Berga		Dandi		Ejere		Jaldu		Meta Robi		Meta Welkite		
	<i>f</i>	<i>p</i>	<i>F</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	
Parents	21	26	18	27	19	26	20	27	17	26	20	27	<b>115</b>
Husbands	20	25	17	25	18	25	19	26	17	26	19	25	<b>110</b>
Fiancés	13	16	11	16	12	16	12	16	12	18	11	15	<b>70</b>
Brothers	17	21	15	20	16	22	16	22	14	21	16	21	<b>95</b>
Brokers	7	9	6	9	7	10	7	9	5	8	7	9	<b>39</b>
Own account	2	3	1	2	1	1	--	--	1	1	2	3	<b>7</b>
<b>Total</b>	<b>80</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>73</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>66</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>436</b>

*Source:* Own Computation Based on Field Data, 2019.

As indicated in Table 4 above, only a few young women had opened their accounts and managed to deposit their earnings directly to the accounts. Specifically, only 3% of participants saved money in their account in Adea Berga and Meta Welkite *woredas* whereas only 2% of participants saved money in their account in *Dandi woreda*. In Ejere and Meta Robi *woredas*, only 1% of participants saved money in their accounts. However, no participants saved money in their account in Jaldu *woreda*. Almost all of them sent their money to their relatives to save.

The finding also revealed that the money which was sent to the parents, husbands, fiancés, brothers, and brokers has been consumed by the recipients. Besides, in cases where some amount is saved, refusal by the recipients to transfer to the returnees is also common. It is even found out that husbands have used the remittance of their wives to marry other women since their wives were abroad. Further, the possibility of divorce is higher for spouses who have no children. The cumulative effects of all these among the returnees led to the cycle of migration.

**Income**

The main reason that motivated young women to human trafficking was/is the difference in income between the home country and destination countries. The large difference between the United States Dollar (USD hereafter) and Ethiopian Birr (ETB hereafter) aggravated the issues more because the money is paid by the USD in west Asia. The currency exchange between the USD and ETB is currently around 30 ETB. If one young woman earned an average of 200 USD in a month in West Asia, it amounted to 6000 ETB, which is so difficult for one person to earn such much money monthly in Ethiopia. The interview results of Women, Children and Youth Office Administrators of all *woredas* under investigation showed that those young women did not realize the challenge they face on the way to the destination and at the workplace after arrival. In the destination countries of west Asia, the available job opportunities included housemaid, babysitting, food preparation, cleaning, *etc.* One of the focus group discussants explained that:

*The money we could get in west Asia is much greater than the money we could get in Ethiopia. The majority of us have no diploma or degree, but we get more money there than people who hold a degree and work in Ethiopia. The minimum money one female could get monthly in west Asia was 4500 ETB. Such money is paid for women who have no work experience or for those who work as housemaids. Women who have experience could get more. For instance, women who have experience could get a net monthly income of 200 – 400 USD, an equivalent of 6000 – 12000 ETB. Accordingly, the annual net income of one female was between 72,000 ETB and 144,000 ETB, which is very high when we compare with domestic incomes. Further, we have no additional expenses since the employers covered the expense of food, clothes and mobile cards [Translated to English by the Author].*

The quantitative results of the data revealed that the mean income of trafficked young women is attractive in west Asia so that other females are being motivated.

**Table 5: Income of Returnee Young Women in west Asia (in ETB)**

No.	Woredas	Mean	St. deviation
1.	Adea Berga	8081.25	2542.60
2.	Dandi	7963.24	2489.26
3.	Ejere	8034.25	2517.07
4.	Jaldu	8067.57	2516.15
5.	Meta Robi	7863.64	2455.05
6.	Meta Welkite	8080	2501.41
	Total	48,089.95	15,021.54
	<b>Average</b>	<b>8014.99</b>	<b>2503.59</b>

*Source:* Own Computation Based on Field Data, 2019



As indicated in Table 5 above, the mean monthly income of returnee young women of Adea Berga *woreda* is 8081.25 ETB, whereas in Dandi, Ejere, Jaldu, Meta Robi and Meta Welkite *woredas* the mean income is 7963.24 ETB, 8034.25 ETB, 8067.57 ETB, 7863.64 ETB, and 8080 ETB respectively. Overall, the mean average monthly income of all sample returnees is 8014.99 ETB. From the respondents, it happened to be clear that the ‘success stories’ of the return migrants is a major motivational factor leading to migration decisions among young women at home thereby increasing their exposure to traffickers.

### ***Psychological and Physical Threats***

It is already indicated above that most of the money of returnees was consumed by recipients leading to psychological deprivations thereby exposing the majority of young women to mental problems. It was found out from the interview that women who traveled by buses along the migration route of Sudan and Djibouti faced physical problems. The traffickers asked them the money in each corridor. Hence, young women forced to call their parents, husbands, and relatives to get extra money to pay for traffickers in each corridor. Since most of them came from rural areas, they could not contact the people whom they want through the phone. This further intensified psychological pressure. The focus group discussants also reported that those women who could not get and pay money were exposed to various forms of physical harassments including rape. Besides, all the traumas they faced on the way to the destination, they are often subjected to sexual harassment at the home of employers. Most of the time, wives of employers suspected them of having sexual relations, which in turn caused serious punishment like burning faces or cutting legs, hands/fingers including assassination. For example, the dead bodies of more than 10 young women came within one year from west Asian countries. Respondents also reported that many are missing while some of the returnees have lost their sanity and others became beggars.

**Table 6: Psychological and Physical Effects**

Effects	Respondents by <i>Woreda</i>												Total
	Adea Berga		Dandi		Ejere		Jaldu		Meta Robi		Meta Welkite		
	<i>f</i>	<i>p</i>	<i>F</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>F</i>	<i>p</i>	<i>f</i>	<i>p</i>	
Body injuries	25	31	21	31	23	32	23	31	21	32	24	32	137
Forced to sex	19	24	16	24	17	23	17	23	15	23	18	24	101
Psychological	5	6	5	6	5	7	5	7	4	6	5	7	30
Arrested & Jailed	14	18	12	18	13	18	14	19	12	18	13	17	78
No threat	17	21	14	21	15	20	15	20	14	21	15	20	90
Total	80	100	68	100	73	100	74	100	66	100	75	100	436

*Source:* Own Computation Based on Field Data, 2019

Table 6 above shows that West Asia returnee young women faced different kinds of threats during traveling and at the workplace. The majority of the participants in all *woredas* faced bodily injuries including hand, leg and other body injuries because they were tortured by traffickers to get extra money and coerced them to have sex with traffickers and their friends. Besides, they were tortured by wives of their employers while working abroad. About one-fourth of participants in Adea Berga, Dandi, and Meta Welkite *woredas*, and 23% of participants in Ejere, Jaldu, and Meta Robi *woredas* were forced to sex during traveling by traffickers and at the workplace by people who employed them. Moreover, 6% of participants in Adea Berga, Dandi, and Meta Robi *woredas*, and 7% in Ejere, Jaldu and Meta Welkite *woredas* of returnee young women faced psychological deprivation due to the aforementioned reasons. Likewise, 18% of participants in Adea Berga, Dandi, Ejere, and Meta Robi *woredas*; 17% of participants in Meta Welkite *woreda*, and 19% of participants in Jaldu *woreda* were arrested by the police in the destination country and put into jail while they were attempting to change the workplace. Only some participants in all *woredas* were free from psychological and physical threats, as clearly stated by a young woman:

*Some of our friends became abnormal due to the psychological threat they faced both on the way to destination countries and at the workplace abroad. Some of our friends were thrown from a high distance of buildings to the floor and passed away. Unless their names are registered through the Ethiopian embassy in the destination country, it is difficult to get the dead bodies since the killers buried them secretly. Parents are waiting here for their return home with money whereas they have passed away. Others face various challenges while trying to change workplaces in an attempt to escape the unbearable workload to which they are subjected. These are the challenges that caused the psychological and physical threats to the young women making them hopeless [Translated to English by the Author].*

Moreover, the interview with West Shewa Zone's Women, Children, and Youth Office Administrator revealed that such psychological and physical effects on women resulted not only in hopelessness but also in suicide.

### ***Living Conditions***

Those women who managed to save a greater proportion of their income lived a good life. Hence, there is a direct and strong relationship between income and living standards of people. In this study, an attempt has been made to identify trafficking affected the living standards of young women either positively or negatively. The findings disclosed that even though improving

their livelihood is the original motive that led to migration decisions, most of the victims of human trafficking still lived the worst life since most of them returned to their home country without enough money. In some cases, they paid much money for brokers but returned home in a few months. Further, some young women borrowed money from others to pay for traffickers, but could not repay so that they worked for the lenders until they repay the loan. Since most of the trafficked young women got jobs illegally, they could not save their earnings in banks besides the fact that employers often refused to pay their wages or pay them irregularly. In a nutshell, the life of trafficked young women was deteriorated as trafficking exposed them to extra expenses during travel towards destinations. Finally, it resulted in the wastage of their savings by recipients at home, often leading to an inability to repay travel loans that only exacerbated their social and economic crises.

### ***Job Opportunity***

Job opportunities can be seen as the causes and consequences of human trafficking. The researcher approached it from the consequence viewpoint – whether the returnee women created job opportunities for themselves by using their savings in case they were successful. In fact, the main driving force that led young women to migrate is the search for job opportunities and better pay. However, only some returnees managed to create job opportunities for themselves. It is found out that the majority of the returnee young women could not create a job for themselves forcing them to re-migrate thereby putting them in the trap of trafficking. It has been found out from the FGDs that many returnees dreamt big because of misinformation about the real living condition in destination countries. However, many of them could not realize their dream because they had very small or no saving in end.

**Table 7: Kinds of Created Job by Returnee Women**

Jobs Created	Respondents by Woreda												Total
	Adea Berga		Dandi		Ejere		Jaldu		Meta Robi		Meta Welkite		
	<i>f</i>	<i>p</i>	<i>F</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	<i>f</i>	<i>p</i>	
Beauty house	20	25	18	26	19	26	19	26	17	26	19	25	<b>112</b>
Wood works	--	--	--	--	1	1	1	1	--	--	--	--	<b>2</b>
Cafeteria	2	3	1	2	1	1	1	1	1	1.5	2	3	<b>9</b>
Mini/big shop	17	21	14	21	15	21	15	20	14	21	16	21	<b>91</b>
No job	41	51	35	51	37	51	38	52	34	51.5	38	51	<b>222</b>
<b>Total</b>	<b>80</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>73</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>66</b>	<b>100</b>	<b>75</b>	<b>100</b>	<b>436</b>

*Source: Own Computation Based on Field Data, 2019*

As indicated in Table 7 above, only half of the returnee young women managed to create job opportunities for themselves in all *woredas*. This exposed them to another trafficking in search of a further job. The kinds of jobs being created by returnee young women are almost the same across *woredas* evident in the fact that about a quarter of returnees in all *woredas* have managed to open beauty salons.

The results also revealed that those who created temporary jobs are located in small towns in rural areas. Consequently, the created jobs – the majority of them are small shops – could not generate a significant amount of income since the demands were very low. Such shops usually had no license that the municipalities often shut them.

On the other hand, the number of returnee young women who opened woodworks, and cafeteria are low when compared with other jobs in all *woredas*. This indicates that many returnee young women could not open permanent jobs which can create job opportunities for others. West Shewa Zone's Women, Children, and Youth Affairs Administrator explained that those young women who created job opportunities not only for themselves but also for others are few. Yet, these are areas of engagement that should be encouraged for its potential to reduce the probability of exposure to traffickers.

### ***School Dropout***

Most females dropped-out of their education and went to west Asia in search of a better life. The main causes were found to be peer influence and brokers' misinformation about the living condition in the destination, exaggerating the benefit of working abroad. However, few success stories of earlier migrants have also motivated young girls to quit their studies and leave for any west Asian countries.

The data revealed that the degree of school dropout and exposure to trafficking is high in the lower classes. The reason behind this is that they could be easily manipulated by brokers. Further, since they are young enough, they can easily follow the footsteps of their friends. As captured by one returnee young woman, the fact remains that continuation of school after the return was also impossible. She pointed out:

*We quit the school and went to west Asian countries. The brokers told us that we would change our life easier if went there. The brokers used unemployed university graduates to further convince us and in fact, we were convinced. Because attending school for several*

*years that finally gives us no jobs, we preferred to go west Asia, earn money that we thought would help us to lead our life without analyzing the challenges we were to face on the long journey to the destination. After we had returned from west Asia, we tried to continue it. But our minds were still bound to think about the money that made the possibility to continue our education is very low [Translated to English by the Author].*

Besides, an interview with West Shewa Zone's Women, Children and Youth Office Administrator confirmed that returnees had a low willingness to continue their education partly because of age factor that forces them to give priority to other aspects of life, thereby diverting their attention away from education.

### ***Heavy Loans***

Most of the young women who had undergone trafficking were from rural areas because the brokers could convince them easily since they were far away from information. In contrast, young women from urban areas are low when we compare with rural areas because they have better awareness that reduced the rate of trafficking among urban women. Most of the young women who were exposed to trafficking in rural areas did not have sufficient money to go to West Asia. The only option for those young women was to obtain informal loans to repay lenders with high interest in the future.

The borrowers use lands and cattle as collaterals. Since using the lands for collateral is not allowed legally in the Ethiopian context, the lenders often use the land for a farm as a mechanism of interest repayment, not principal money. For instance, the interest rate of 1000 ETB was calculated to be 200–400 ETB per month, which is too much for borrowers. If the borrower got 15,000 ETB loans, the interest would be 3000–6000 ETB monthly that is greater than the interest of the bank loans. To get 15,000 ETB, the borrower could get to provide at least a hectare of land that later yields a harvest with a value twice the principal money to benefit the lenders. And the farming continues until the principal money is fully repaid. A deported young woman regretted in the following manner:

*Some of us went to West Asia with a loan. Unfortunately, our employers usually forced us to work beyond our capacity – we worked days and nights without getting rest. We did not know their language since we had not taken training before we went there. To communicate with them, we used symbolic communication. Hence, we obliged to leave those houses where we were working. Any attempt to leave had a consequence of being in the hands of the police without our passports and got imprisoned because our passports were in the hands of people who hired us so that we could not leave without their permission. I was in prison for six months that I was finally deported. And, upon return, I*

*found my families working for lenders as a repayment of the interests of loans that I used for travel. I am now a deportee and my family had no money to repay, making us all servants of our lender [Translated to English by the Author].*

The finding further verified the arguments of M' Cormack (2011) that human trafficking causes society crisis which includes the impacts of family and communities left behind, and gender relations in receiving countries in which women are often sold into sexual slavery. Economic results of human trafficking cause significant remittance losses, particularly in contexts where people seeking migration opportunities for employment end up being trafficked. The borrowers gave different services for lenders instead of interests – fetching water, collecting fire-woods, sweeping houses, preparing food, farming lands, harvesting crops, building houses and compounds. In general, like the law of attraction, human trafficking caused both social and economic crises of young women, which in turn led to family crisis because young women borrowed the initial money from lenders with heavy interests to pay for brokers, use for transportation, and pay at different corridors to pass the border.

### **Conclusion**

Human trafficking, which is also called modern slavery, is a dangerous activity in which persons trade other persons. In today's world, the money motive among traffickers is by far eroding the values of humanity. This study verified that young women are the main victims of human trafficking. Although most returnees dreamt of improving their livelihoods *via* savings and creating jobs, they were exposed to various social and economic problems during the travel to West Asian countries and at the workplace in the destinations. The returnees often tortured, raped and faced other abuses including various forms of physical injury that resulted in psychological deprivation and health threats among the victims. It also caused the divorce of family and thus many children become street dwellers. Many girls dropped out of school because of human trafficking often due to peer influence and misinformation given by brokers or traffickers.

Albeit the money that young women earned in West Asia were attractive wages, they could not save it since it has been consumed or wasted by the recipients including parents, brothers, fiancés, husbands, and brokers. Some paid much amount of money for brokers, but their stay was short to save a meaningful amount of money. Thus, many women were caught in the cycle of

irregular migration that exposed them to another phase of trafficking. Besides, some returnees could not even repay the initial travel loans that they had to become the servant of their lender as a means of loan repayment.

In sum, the returnees' migration decision was justified by personal motives of opening own business and job from their earnings generated abroad; they could not realize their dream as they were unable to save money. On the contrary, the study has found out that most young women who were victims of human trafficking were still living the worst life since most of them returned to their home country without enough savings.

Lastly, it is recommended that issues of human trafficking should be incorporated into the school curriculum, at least at the elementary level, so that young women will have better awareness about irregular migration that could expose them to human trafficking and hence of its consequences. It is also recommended that young women working aboard should possess a bank account to be able to save their earnings to avoid any inconvenience that may arise from sending money to other individuals upon trust. This would reduce the probability of getting savings consumed or wasted by recipients, thereby helping to overcome associated social and economic crises that women face upon return.

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## **Modeling Institutional Reengineering for Inclusive Development (IRID) in Africa**

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### **Abstract**

*Inclusive development is a newly emerging notion that is gaining substantial attention, especially in international civil societies. The aim of this study, therefore, is to discuss the drivers of inclusive development in Africa, paying special attention to the political economy and structural change variables. Ordinary Least Squares regression is run in STATA 14 to test if there are statistically significant correlations between the five-year average scores of inclusive development index (IDI) as an endogenous variable and (proxies of) the five-year trend in economic growth, technology, structural change, trade, and political economy as exogenous variables. The panel data are pooled from 21 African countries among which 9 countries are landlocked. The regression is run in two scenarios. As an alternative scenario, IDI is pooled from the World Economic Forum (WEF) 2017 report and used as a dependent variable. In the other scenario, IDI is computed by incorporating variables relevant to the African context then used as a dependent variable. In the IRID customized version, the five-year trends of GDP, health facility, the institutional and structural change variables viz. democracy and employment opportunity in the industry sector are statistically significant determinants of inclusive development. Accordingly, an inference is drawn claiming that inter alia a nation is as prosperous, inclusive and resilient as the quality of its governance institutions and enforcement capability. This is in line with the conventional thought in African studies which claim that a natural resource endowment per se is not the sole determinant of development. Finally, to anchor IDI with a pragmatic paradigm, a three-stage institutional reengineering model is proposed which could be applied in different development governance endeavors.*

**Keywords:** *Institutional Reform, Sustainable Development, Extractive Institutions, Inclusive Development, Africa*

### **Introduction**

#### ***Research Background***

Since a decade ago, international civil society organizations and policymakers are interested in inclusive growth and development concepts (World Bank, 2009). However, since the end of the Second World War, there has been a global ‘common sense’ on the need for inclusion. At least, the following inclusiveness issues have been popping up since then. For instance, ‘development approach’ *per se* emerged as a Marshal Plan in the 1940s and 1950s (Wilson, 1977), ‘top-down and bottom-up development approach’ (Bower, 1974), ‘participatory development’ and ‘broad-

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based development approach' (Keough, 1998), 'holistic development approach' (DeRobertis, 2008), 'sustainable development approach' (United Nations, 1987), 'inclusive...universal education, basic health, water,...approaches' (Ferguson, 2008), 'gender equality in development approach' (Reeves & Baden, 2000), 'entitlement in development' (Sen, 1999) and 'ethical development approach' *etc.* (Goulet, 1996). Even if the cited works look recent, they have also historical foundations. For instance, the emergence of the American feminism school in the 1960s and 1970s was part of the movement in pursuit of inclusive development (Coontz, 2011). Demands for slave trade abolition, decolonization of Africa, 'land for the tiller' and 'ethnic inclusion' were only a few among the earlier foundations of the inquiry for inclusion and a claim against exclusion.

The foundational concept of MDGs and SDGs was addressing institutionally inclusive development. By inclusive development approach, it is aimed at 'leaving no one behind' (United Nations, 2016) and 'reaching the furthest behind first' (UNDP, 2018). Accordingly, the achievement, especially in poverty reduction, literacy, health, *etc.*, is remarkable. However, the intricacy behind inclusiveness is not only a lack of implementation capability but also the paucity of theoretical framework (United Nations, 2018; WEF, 2017). This is the inspiration behind this study.

In the inclusive development approach, albeit the primary target is to address the needs of the marginal people (Acemoglu & Robinson, 2016). One of the fundamental principles of ILO states that 'poverty anywhere constitutes a danger to prosperity everywhere' (See Declaration of Philadelphia in 1944). WEF also claims that development will be sustainable only if it is inclusive (WEF, 2017). In this sense, inclusive development is the necessary condition for sustainable development which has pertinent theoretic and policy implications.

According to the World Bank, inclusive growth is about the pace and pattern of growth (World Bank, 2009). Most importantly, for economic growth to be sustainable in the long run, it should be broad-based across sectors and inclusive intra- and inter-generationally (ADB, 2010). This demands structural transformation, sectoral diversification and creative destruction (reengineering) of the political economy (Klasen, 2010; Lopez *et al.*, 2007; McKinley, 2010).

Contrary to inclusiveness, the economic growth process can be extractive if it irresponsibly exploits human and natural resources (Acemoglu & Robinson, 2016). Accordingly, inclusive economic growth includes those who are left behind not only in consumption but in the production process through employment, human capital development, innovation and responsible use of natural resources (United Nations, 2016). Inclusiveness does not exacerbate income and wealth inequality; rather, it is conceptualized as a corrective mechanism from the very outset (United Nations, 2016, p. 138).

In inclusive growth, expansion of human capability is not only the means but also the end. Accordingly, in this study, the following working definition and concept of inclusive development are drawn and summarized from eclectic sources for the fact that conventional definition appears to be virtually absent or insufficient in development literature. Inclusive development is a broad-based, holistic, pro-poor and ethical development approach in which human capability and welfare of all human beings are brought at the center of development endeavor and conservation of nature as an instrumental to include the needs of all generations in the current development process to make the inclusion sustainable. The foremost purposes of inclusive development, therefore, are to recognize diversity, empower ‘those who are left behind first’, ensure sustainable economic growth and equitable distribution.

Inclusive development approach encourages distinct local, national and international institutions primarily designed to stimulate development especially for the benefit of poor people by involving them in the production, consumption and innovation value chains. The efforts are to be steered by development programs, policies, administrations, and governance systems. Inclusive development adopts both positive and normative development approaches, and its strategy is mainly checking against the feebleness of global development order by using its opulence. The development issues like inequality in wealth, extractive economic growth, poverty, social exclusion, alienation from self-reliance, modern-day slavery, failure to address concerns of minorities, unequal participation in political, civic and cultural life, unequal opportunity in the labor market, barriers to social inclusion, prejudice and discrimination due to a particular identity, social and economic status, migration, xenophobia, ethnocentrism, exaggerated patriotism, religious fundamentalism, *etc.* are some of the specific aspects to be resolved in

inclusive development discourse (Stiglitz, 2012; United Nations, 2016; United Nations, 2018; UNDP, 2018).

Although inclusive growth and development reinforce each other, all dimensions of development cannot be reduced to only the economic growth concept. Even in economically advanced countries where economic growth is a policy priority, inclusive development issues should also come to vanguard. This is for the fact that countless citizens are left behind (Stiglitz, 2012). For instance, ‘we are 99% slogan’<sup>1</sup> is a shred of upright evidence. In sum, the sustainability concept brings forward the conservation of nature to the center (United Nations, 1987) and inclusiveness brings about human empowerment at the core (United Nations, 2018). In fact, they are almost different sides of the same coin. Finally, given the improved poverty reduction, literacy, health and infrastructure, the overall achievement in inclusive development is globally ‘remained as an aspiration’ (WEF, 2017). As stated above, it is also claimed that the low achievement in the area of inclusive development is not only due to lack of capability, but ‘lack of analytical framework’ (*Ibid.*). In this regard, this article is supposed to add a spoonful of spice to the conventional inclusive development discourse.

### ***Statement of the Problem***

There are historical and contemporary hurdles in the development governance of Africa, which need a pragmatic institutional reform. According to Acemoglu and Robinson (2012), Heywood (2009) and Bertocchi (2015, p. 1), slave trade which existed from 15<sup>th</sup> to 19<sup>th</sup>c, followed by the industrial revolution in Europe which led to the colonial aggression that occurred from 19<sup>th</sup> to 20<sup>th</sup>c, destabilized indigenous institutions in the continent and the outcome has prevailed till now. The post-colonial extractive trade orders and diplomatic pressures have been witnessed since the liberation of African states. This, in turn, has led more than three-fourth of African states to have a negative current account in 2019.

A brain drain costs Africa about \$4 billion every year. A research conducted by 13 organizations (Sharples *et al.*, 2014, 2017) about *capital inflow* to and *outflow* from Africa reveals that ‘Africa

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<sup>1</sup> On 17 November, 2011, protesters with ‘99%’ T-shirts occupied Wall Street near the New York City Hall. Since then metaphor ‘99%’ is seen as a political slogan that shows most citizens in USA are left behind development. The nation's wealthiest 1% is reversely corresponds to the 99%. The phrase directly refers to the concentration of wealth and political influence among the top earning 1% and the rest 99% is left behind. <https://www.economist.com/united-states/2012/01/21/who-exactly-are-the-1>



is losing far more each year than it is receiving.’ The research contains astounding facts and figures. For instance, on average a total of about \$134 billion flows into the continent every year, mainly in the form of loans, foreign investment, and aid; however, on average \$192 billion is taken out annually, predominantly in the form of profits made by foreign companies, tax evasion and the costs of adapting to climate change. This shows that the continent loses a net amount of \$58 billion a year. That means, Africa is a net donor of capital to the rest of the world yet illicitly. According to the report, about \$1.8 trillion capital left Africa only between 1970 and 2009. The institutional failures locally and internationally are primarily responsible for the malfunctions. For instance, the failure of laissez-faire capitalism in the form of structural adjustment program (SAP) induced by the IMF and World Bank resulted in ‘the lost decade in Africa’<sup>2</sup> (IMF, 2007). In places where there are natural resources, there are also conflicts. Some of the giant corporations participate in financing the conflicts. Unfortunately, several African conflicts and civil wars have been caused and funded by the diamond industry. Diamonds that come from these regions are known as ‘conflict diamonds’ or ‘blood diamonds’.<sup>3</sup>

Local and international institution failures cause the overthrow of regimes through civil war, violence, subsequent partition, invasion, illicit finance which destructively contributed to the modern-day failure in forming a stable and resilient nation-state, inclusive development institutions (Bertocchi, 2015, p. 1; Heywood, 2009). This narrative is in line with the international dependency theory of development pioneered by Sir Hans Wolfgang Singer and Raúl Prebisch written in 1949. All these center-periphery relations bore tribal politics and (post)-Marxist patriotism which are still hegemonic in the contemporary political economy of Africa. ‘Identity is the key driver of social exclusion: individuals and groups are excluded or included based on their identity. Some of the identities resulting in exclusion are *inter alia* gender, race, caste, ethnicity, religion, age, occupational status, location, and disability status.’<sup>4</sup>

Moreover, citizenship, geographical origin, economic and political status, belief, marital status, color, and posture are also aspects of identities vulnerable to exclusion. A nation guided by such

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<sup>2</sup> Due to failure in SAP in 1990s, researchers now refer to this period as ‘Africa’s Lost Decade’, due to the erosion of economic gains made during the post-colonial years. ‘The biggest tragedy of the lost decade was that there was no leadership in Africa’ <https://www.globalblackhistory.com/2017/10/lost-decade-africa-1980s.html>

<sup>3</sup> <https://www.nationalgeographic.org/encyclopedia/africa-resources/>

<sup>4</sup> ‘Social inclusion is the process of improving the terms for individuals and groups to take part in society’ (World Bank 2013a) <https://www.worldbank.org/en/region/afr/brief/social-inclusion-in-africa>

mainstream institutions is most often trapped in a ‘traditional society’ stage of development (Rostow, 1959; World Bank, 1992). Inclusive institutions are often over-generalized and their roles are undermined, economic growth is often hardly regressed to the underprivileged people. Thus, capitalism excessively outweighs egalitarianism, so a pragmatic rethinking of the nexus between inclusive development and governance institutions needs urgent attention to ensure an egalitarian society and this is the mainstay of this research.

### ***Objectives of the Study***

The objectives of the study are: i) to explain and estimate the major determinants of inclusive development in Africa; ii) to analyze the interface of inclusive development and institutional variables; iii) to find the foremost theoretical foundations of inclusive development; and, iv) to develop a pragmatic institutional reengineering (reform) model for inclusive development based on the existing literature.

### ***Research Questions***

The following research questions are going to be addressed as per the literature gap analysis stated above. These are: i) what are the major determinants of inclusive development in Africa and how do institutional variables interact with IDI? ii) What are the foremost theoretical foundations of inclusive development? iii) How can the inclusive development approach be both process-oriented and performance metrics?

### ***Significance***

The available literature in the area of inclusive development is dominated by reports produced by international development organizations. It is quite rare to find scientific research in the area. This article, therefore, is part of the endeavor in filling the gap, especially in the context of Africa. Hence, apart from its importance to policymaking, the article is supposed to inspire further academic discourses.

### ***Scope and Limitations***

This article is predominantly meant for the African context, but only 21 African countries are included in the empirical analysis. Likewise, as institutions are complex and diverse across contexts, the inferences might have limitations. Besides, the concept of inclusive development has diverse dimensions. Yet, this study throws only a glimpse of rumination just to provoke

discourse. Finally, a detailed assessment of the concepts, prevailing challenges and achievements are beyond the scope of the study, nor is the article meant for.

## **Literature Review: Conceptual and Theoretical Framework**

### ***Inclusive Development Approaches***

The fundamental intent of inclusive development can be captured by the following predominant theoretical upbringings. These are: i) entitlement (welfare and empowerment) approach in development; ii) sustainability approach in development; and iii) development ethics approach.

*Entitlement Approach in Development (EAD) (Amartya Sen's Approach)*<sup>5</sup>: According to the Oxford English Dictionary, entitlement is defined as 'an official right to have or to do something and the belief that one is inherently deserving of privileges or special treatment.' Accordingly, the Nobel Prize winner Amartya Sen argues that every person is naturally privileged and has the right to choose and enjoy his/her entitlements; every person deserves privileges and special treatment. According to this approach, any form of deprivation and exclusion is due to the failure to exchange one's natural privilege. Sen also believes that famines are due to the inability of a person to exchange his/her entitlements rather than food unavailability (Sen, 1981, 1999). He also explains why only some section of society is affected by famine and starvation while others enjoy affluence. Hence, inclusive development is enlarging human capability and people's freedom of choice through their entitlement. Entitlement per se encompasses concepts like human security, better education, higher standards of health and nutrition, less poverty, a cleaner environment, more equality of opportunity, greater individual freedom, and a richer cultural life (World Bank, 1991). Universal entitlements of human beings are shared standards of dignity, justice, and safety that all people should expect from states and societies. "A person's capability to live a good life is a natural entitlement defined in terms of the set of valuable 'beings and doings' like being in good health or having a loving relationship with others to which they have real access" (*Ibid.*).

*Sustainability Approach in Development (SAD) (Gro Harlem Brundtland's Approach)*: This is about meeting the economic and social needs of *all* the present generation without compromising the capability of *all* future generations by keeping human-ecosystem equilibrium (homeostasis).

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<sup>5</sup> EAD is defined by its choice of focus upon the moral significance of individuals' capability of achieving the kind of lives they have reason to value. <https://www.iep.utm.edu/sen-cap/>

In order to make the development long-lasting and non-violent, the inclusion of not only the present but also the next generation is of higher significance. The UN's Report entitled 'Our Common Future' which is also known as the 'Brundtland Report' addresses 'inclusion' as 'a world in which poverty and inequity are endemic, will always be prone to ecological and other crises' (United Nations, 1987). The report goes on stating that 'sustainable development requires meeting the basic needs of all and extending to all the opportunity to satisfy their aspirations for a better life' (*Ibid.*).

*Development Ethics Approach (DEA) (Denis Goulet's Approach)*<sup>6</sup>: This approach brings normativity, ethical principles and moral philosophy into the theories of development. According to Goulet, 'development ethics has a dual mission: providing more human development for all and checking inequality'. In contrary to economic positivism, DEA criticizes an economic growth based upon a narrow sense of material expansion of wellbeing. The qualitative enrichment of human beings in all relevant aspects of human life, therefore, is appreciated (Astroulakis, 2013). According to Goulet (1971a), 'sustenance, self-esteem, and freedom are the three basic values of development... moral values of ethics are important in development'. He also argues that 'a chronic poverty is a cruel kind of hell, and one cannot understand how cruel that hell is merely by gazing upon poverty as an object' (Goulet, 1996).

One can go even further in history, philosophy and eclectic scientific disciplines to justify the importance of inclusion in development endeavors. However, the above three areas of research per se are specifically supposed to anchor development theories to explain the complex real-life inclusive development paradoxes.

### ***Institutions Explain the Difference in Wealth of Nations***

Nations are as inclusive, prosperous and resilient as the quality of their development governance institutions and enforcement capability. This argument is a summary of recent literature on (inclusive) development and the new institutional economics (NIE) (Acemoglu & Robinson, 2012, 2016; Bissessar, 2008; Crawford & Ostrom, 1995; Draper *et al.*, 2018; Lopez *et al.*, 2007; North, 1991). The absence of quality governance institutions and enforcement capacity underpins the underdevelopment trap (*Ibid.*). This statement is portrayed in the causal-effect

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<sup>6</sup> Denis Goulet (1931-2006) was the leading scholar of development ethics. He is among the pioneers of human development theory and the main founder of work on 'development ethics' (Goulet, 1971a).

vicious diagrams (See figure 1 and figure 2). Even if the detailed analysis is beyond the scope of this article, a precise reflection on the classical questions ‘where the wealth of a nation comes from?’ and ‘why countries remain poor?’ are bottom lines to start with.

Adam Smith, for instance, argues that ‘it is not that other countries work harder or have better resources what makes the difference is free trade.’ He also claims ‘some will become super-rich, and the rest will stay poor..., but this is a logical price to pay for a thriving economic system. For economic freedom to prevail, and for the majority to pursue their happiness and goals, the system must allow for some measures of inequality’ (Smith, reprinted in 2006). Karl Marx on his side argued that ‘increase of wealth...depends upon the quantity of surplus-value due to living labor which the materialized labor sets in motion.’<sup>7</sup>

The standard exogenous and endogenous neo-classical development models on their side affirm that the sources of wealth are capital and technology (Romer, 1990). It is also important not to undermine that wealth comes from land. Land in economics refers to beyond farmland such as natural resources on the earth, climate and even solar system itself. From the above arguments, it can be inferred that wealth comes from all factors of production. However, institutions are systems that trap or set in motion all other factors of production (See Figure 1).

Besides, regarding where wealth comes from and how the distribution should be treated, the philosopher John Locke has superb thought. He claims that the earth (land) is the property of people in common. However, each people own their body and when they apply it as labor to nature; then, they are entitled property and wealth. He takes a simple example: ‘when I pick an apple, I own the apple, but when everybody wants to pick the apple, there is a need of rule of the game’ *i.e.* institution. Rules of the game do not only cause wealth, but also distribution. In summary, wealth is something institutionally produced and entitled. Otherwise, nobody carries, for instance, land or building with himself/herself. People carry only the property right.

The quality of the institution behind property governance is what really makes the difference. Such narratives need clear understanding of institutions. The most cited definitions in Crawford & Ostrom (1995), Hodgson (2006), Kapp (1976), Knight (1992), Menard & Shirley (2008),

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<sup>7</sup> Adapted from edition by Karl Kautsky of the Karl Marx’s preliminary manuscript for the projected Fourth Volume of *The Capital*, 1951.

North (1991) and Ostrom (1990) describe that institutions are humanly constituted, stable ‘equilibria’ of incentives and constraints that structure political, economic and social exchange. In a higher scope, governance institutions also shape a governance behavior like the way a government is brought to power, stay in legitimacy, and the government priorities and strategies. North epitomizes informal institutions like sanctions, taboos, customs, traditions, and codes of conduct and formal institutions like rules, constitutions, ratified property rights, shared policies and strategies, or other political, economic and social contracts. Some other institutionalists incorporate organizations as institutions (Greenwood *et al.*, 2014; Scott, 1995). There are studies that consider money as one of the institutions (Desan, 2015). Some others consider language as an institution (Heller, 1995). This makes the scope of the institution open for further exploration. Taking the studies into account, institutions are comprehended in this article as follows.

Institutions are complex networks of the formal and informal rule of games which are soft factors that enable or disable all other factors of production for productivity; thereby, augment production, consumption, and distribution, and malfunctioning rules of the games are termed as ‘extractive institutions’ (Acemoglu & Robinson, 2016). They include *inter alia* unfair taxation structure, improper property rights, political instability, corruption, unequal distribution of income, malfunctioning formal and informal markets and dictatorship.

Dozens of Nobel Prize winners in economics and famous scientists endorsed the book written by Acemoglu and Robinson, which claims that institutions explain the difference in the wealth of nations (Acemoglu & Robinson, 2012). Adapting from the book, the perspectives of the scientists could be summarized as follows:

- i) Kenneth J. Arrow’s view that ‘the openness of a society, its willingness to permit creative destruction, and the rule of law appear to be decisive for economic development’;
- ii) Gary S. Becker’s idea that ‘countries escape poverty only when they have appropriate economic institutions, especially private property and competition...countries are more likely to develop the right institutions when they have an open pluralistic political system with competition for political office’;
- iii) Peter Diamond’s assertion that ‘inclusive political institutions in support of inclusive economic institutions are keys to sustained prosperity’;

- iv) Niall Ferguson's claim that 'it is manmade institutions, not the lay of the land or the faith of our forefathers that determine whether a country is rich or poor';
- v) Francis Fukuyama's observation that 'it is not geography, disease, or culture that explains why some nations are rich and some poor, but rather a matter of institutions and politics'.
- vi) Simon Johnson's view that 'a convincing theory of almost everything to do with economic development is countries['] rise when they put in place the right pro-growth political institutions and they fail – often spectacularly – when those institutions ossify or fail to adapt'; and
- vii) The British historian Ian Morris' claim that 'it is freedom that makes the world rich. Let tyrants everywhere tremble!'

### ***Why Do Development Institutions Often Fail to Deliver their Ends in Africa?***

As the needs and challenges in human behavior advance, institutions are also supposed to evolve accordingly. Existence of institutions, however, by itself may not always promise a shaped economic behavior and a decent life for all. For instance, most of the states in Africa have democratic constitutions. However, democratic constitutions have not yet guaranteed matured democracy. This is in line with the classical *de jure* and *de facto* nexus discourse (Lewkowicz & Szaniawska, 2016).

What happens to the sports match if the rule of the game does not work? If institutions fail, an instinct of human behavior prevails (Thomas Hobbes calls it 'The Natural State'). When institutions fail, the natural state is the only rule that manifests, *i.e.*, the rule of nature (perhaps the Darwinian survival of the fittest state). In this situation, authoritarianism, unfair competition, intimidation, exploitation, injustice, alienation, chauvinism, prejudice, insecurity, violence, and unfair social interaction are some of the consequences (Acemoglu & Robinson, 2012; Brinkerhoff, 2005; Halder, 2018; Hobbes, 1651; Rondinelli & Montgomery, 2005).

Impairment of institutions arises for a multitude of reasons but most importantly: i) the genesis of the institutions, ii) the absence of institutional dynamism, iii) lack of replicability, iv) lack of legitimacy of institutions and submitting governed, v) lack of enforcement capability of the governor, vi) rent-seeking behavior, and vii) weakened self-protection of the institutions. As vicious poverty reinforces itself, extractive institutions reinforce themselves unless dynamically



reengineered by enlightenment (Bissessar, 2008; Lopez *et al.*, 2007; Newig *et al.*, 2019). Therefore, in order to be effective, institutions are supposed to reproduce and guard themselves (Barnett & Duvall, 2005). To do so, institutions need resilient and sustainable natural and legal persons *viz.* agencies. Supplementary to addressing the causes of their impairment, institutions should meet certain criteria to check themselves. They must be efficient, legitimate in their lifespan, ensure predictable behavior, assure security for all and be adaptable.

### ***The Nexus of Inclusive and Extractive Institutions with Development***

Inclusive Economic Institutions are those institutions that *inter alia* secure property rights, create incentives for human entitlements, sustainability, investment, trade facilitation, finance, innovation, production, consumption, distribution, economic choice, other economic sectors, transaction cost minimization and information asymmetry, decent work, especially those who are left behind, and global citizens. More specifically, inclusive institutions address issues like food insecurity, poverty, inequality and unemployment (Acemoglu & Robinson, 2012). On the other hand, institutions that channel wealth towards some group of society at the expense of others, exclude the rest from using their entitlements (Hodgson, 2006; Sen, 1999). Such kinds of institutions are called extractive economic institutions (Acemoglu & Robinson, 2012).

Inclusive social institutions, on the other hand, are those institutions that enhance, among others, the physical and mental capability, cultural diversity, safeguard from derogatory, stereotypical, discriminative, racist, exploitative, modern-day slavery, bigotry, domination, illiteracy and sexist social conducts. Alternatively, inclusive political institutions are empowering, encouraging participation, pledging democratic values and practices, appreciating human choices, empowering civil society and overcoming challenges of extractive political institutions, *etc.* According to the World Bank (2013), social inclusion is the process of improving the terms for individuals and groups to take part in society by enhancing their ability, opportunity, and dignity. Economic, social and political institutions cofunction and reinforce one another.

### ***The “Have and Have not” Paradox and Rationale of Institutional Reengineering in Africa***

Demographically, Africa has a population size of about 1.2 billion which is the second in the world. The continent has 19% of the global youth. It has 60% of the world's uncultivated arable land together with 12 months of sunshine. Two-third of the population is engaged in agriculture.

Apart from several rivers and underground water, it has open water surrounding *viz.* the Mediterranean Sea, the Red Sea, the Indian Ocean, and the Atlantic Ocean. Moreover, Africa holds 60% of the world's precious metals and oil, specifically, 65% of its cobalt, 40% of its gold, 95% of platinum, 42% of diamonds, 8% of natural gas, plus vast deposits of oil and uranium (Natural Resources Canada, 2016). Every year, \$134 billion capital flows into Africa in the form of FDI, loans, and aid (Sharples *et al.*, 2014, 2017). It is also being tried to innovate and replicate technologies.

The above statistical figures show that Africans 'have' remarkable blessings of almost all factors of production, specifically, land and precious natural resources, labor, and at least access to capital and technology. Therefore, why is poverty endemic to Africa? Why 'has economics chronically failed in Africa?' Why 'have not' Africans at least enough nutrition for their citizens which is basic for inclusive development? This means what 'have and have not paradox'. The major reason is due to extractive institutions within and outside African economic systems which are manifested by illicit financial and human capital outflow, bad governance, a disincentive for technology, investment, trade and property right (Acemoglu & Robinson, 2012, 2016; Sharples *et al.*, 2014, 2017). Therefore, the governing institutions need reengineering as it is done by recently developed countries.

## **Methodology**

### **The Model: Institutional Reengineering for Inclusive Development (IRID)**

#### ***The Canons of IRID Model***

The following principles are the foundations of the IRID model, which are eclectically anchored. These are:

*Principle 1: The Principle of Common State of Nature*<sup>8</sup>: nature is for all. Accordingly, anyone without the permission of any 'body' can own private property in harmony with others; however, nature 'the Mother of all' should not be exploited or polluted by anyone at the expense of others. The genesis of this idea is found in John Locke's Theory of Property. According to his *tabula rasa* notion, he meant that individuals are born without built-in mental content; therefore, all knowledge comes from experience. His property theory has a deep reflection on the classical

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<sup>8</sup> According to John Locke: 'The Liberty of Man in Society, is to be under no other Legislative Power, but that established by consent, in the Common-wealth' (§22); 'When any number of Men have so consented to make one Community or Government, they are presently incorporated, and make one Body Politick, wherein the Majority have a Right to act and conclude the rest' (§95).

question in economics, *i.e.*, ‘how the wealth of nations comes’ and ‘how a property right should be protected and distributed’. This principle has implication to the entitlement and the ‘core values of development *viz.* self-sustenance, self-esteem and decent life’ as Sen and Goulet explained (Goulet, 1996; Sen, 1999). ‘Man has a right to his preservation’ John Locke. As Brubaker (2012) stated ‘Every Man has a Property in his own Person... Man had starved, notwithstanding the Plenty God had given him.’ John Locke and Thomas Aquinas also had a similar conclusion that ‘whatever is a means of preserving human life belongs to the natural law, and whatever impedes it is contrary to it’ (*Ibid.*). The implication of this principle for inclusive and sustainable development approaches is that one can own a private property without affecting the entitlement and production potential of others (Sen, 1981). During their wealth generation, however, others might be affected. Therefore, the effect must be internalized. For instance, if pollution is inevitable, it must be lessened and internalized to have unchaotic human-human and human-nature nexus. This concept in turn contributes to inclusion and institutional reform.

*Principle 2: Principle of Creative Destruction of Social Order:* the ‘creative destruction’ concept coined by Joseph Schumpeter refers to ‘the ceaseless product and process innovation mechanism by which new production units replace outdated ones’ (Schumpeter, 1942). The concept can and could be applied to revitalize and reengineer social orders *viz.* institutions (Hammer & Champy, 1993). The social order concept, however, is adopted from the social contract theory and its philosophical foundation is found in the ‘Leviathan’ of Thomas Hobbes. According to him, the behavior of individuals under the natural state is ‘solitary, poor, nasty, brutish and short’. In view of that, to live together in harmony, individuals should submit a parcel of their egos and sovereignty to collective institutions given their natural rights. Otherwise, if individuals are violent, institutions cannot bear order, property rights and prosperity for all (Smith, 1909; also reprinted in 1929, 1943, 1947, 1952, 1958, 1962, 1965).

*Principle 3: The Principle of Code of Ethics in Development:* the integration of ethics in all dimensions of development is vivacious. As cited above under DEA, Goulet contributed profound arguments as to why ethics should be introduced into development endeavors (Goulet, 1996). However, integration of the core ethical principles is supposed to add spices in development theories even if enough attention has not yet paid to the concept. The ethical values are nonmaleficence (do not harm), beneficence (do good), autonomy (control by the individual),

and justice (fairness). The values should be considered in inclusive development making (Astroulakis, 2013; Madhok, 2019). Otherwise, center-periphery relation orders and extractive institutions may stand for the interests of exploitative few (Stiglitz, 2012). Put it differently, the theories and institutions should be re-engineered more humanly and morally (Lopez *et al.*, 2007).

*Principle 4: The principle of Leave No One Behind:* compared with the above canons, principle 4 is a newly emerging notion. It is also clearly anchored with the values behind sustainable development goals (SDGs) introduced by the United Nations (United Nations, 2016, 2018; UNDP, 2018).

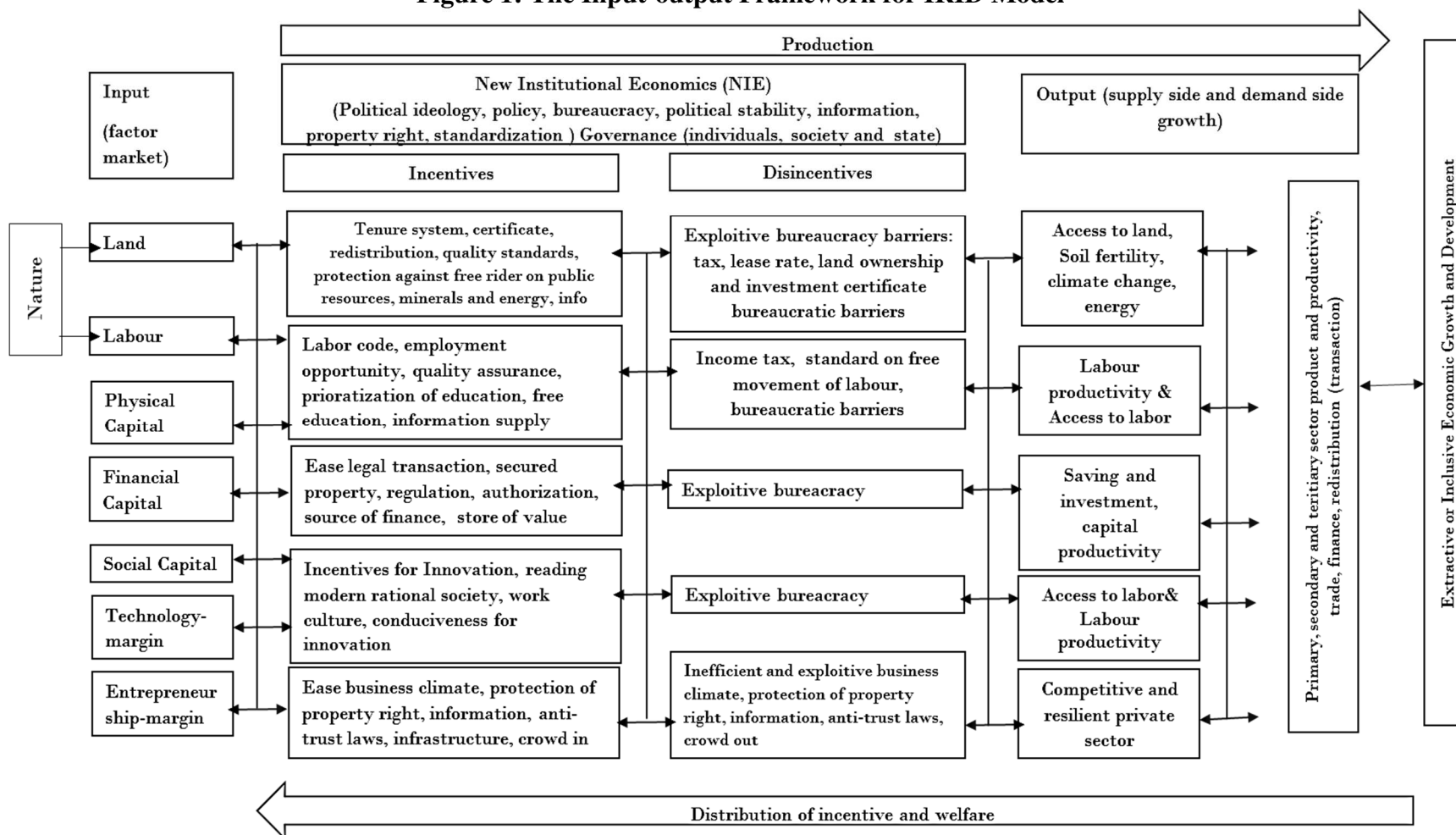
*Principle 5: The Principle of Global Citizenship:* according to global citizenship and equity education, every enlightened global person is supposed to be conscious of global development issues. A global citizen has rights and civic responsibilities that instigate from being a member of the global society without bounding themselves to a particular jurisdiction (Braskamp, 2008; Carabain, 2012; Wintersteiner *et al.*, 2015). Ancient Greeks divided the populace into three groups: *i) idiots, ii) tribals and iii) citizens*. The word ‘Idiots’ does not mean mental deficiency. It means the very private people who have self-centered virtue and philosophy. They work for their ‘personal pleasure and treasure’. The Greeks also claimed, ‘if idiots are in power, they do not work for the common interest of the public but for their self-interest.’ ‘Tribals’, on the other hand, limit their virtue to a small segment of society. They conspire, intimidate, encourage violence; threaten the unity, peace, and rule of law against other people. They label people outside of their class as ‘enemies’. For them, diversity is a peril, not a beauty. The ‘citizen’, in this context, does not refer to the legal or political status of a person. It rather describes the ideal or perfect class of people who advocate for global values like unity, peace, democracy, and rule of law. Citizens distinguish people by their virtue, not by their tribes or nationalities.

*Principle 6: The Principle of Endogenizing Institutions and Institutional Changes:* utmost scientific works in mainstream (neoclassical) economics consider institutions as exogenous factors; however, they can and should be customized and modified endogenously (Acemoglu & Robinson, 2012; Aoki, 2006; Hammer & Champy, 1993; Lopez *et al.*, 2007; Tabellini, 2010).

**The Input-Output Framework for IRID Model**

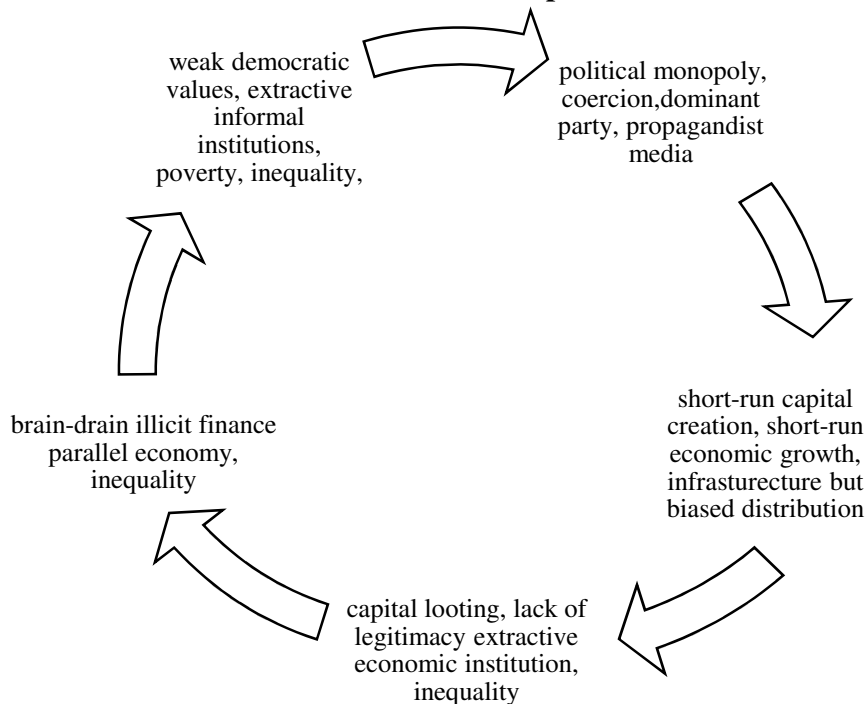
As explained above, inclusive institutions incentivize and set in motion other factors of production. Otherwise, they can also trap the whole development endeavour in sub-optimal level (Acemoglu & Robinson, 2016).

**Figure 1: The Input-output Framework for IRID Model**



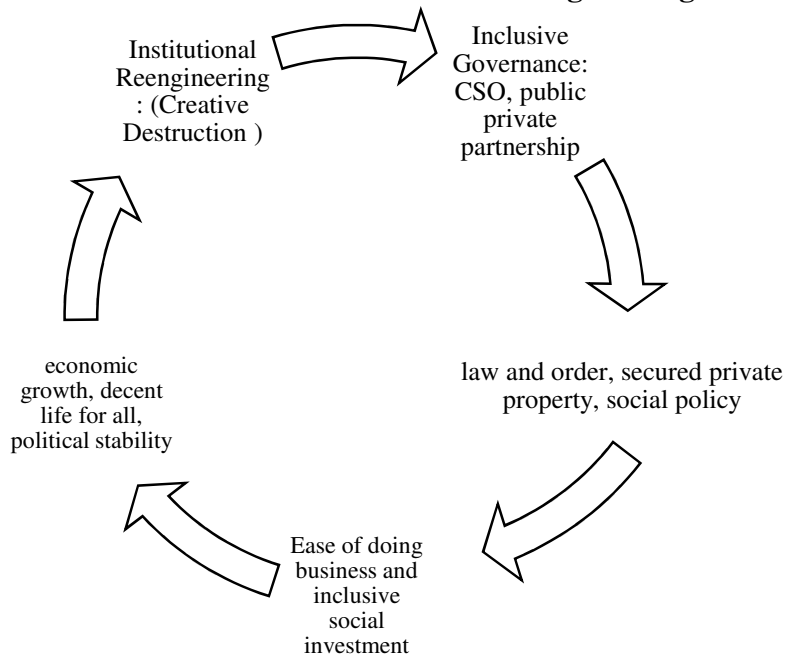
Source: Sketched by the author based on Benhabib & Spiegel (2000), Garibaldi & Mauro (2002), Robert & Lucas (1988), Schumpeter (1942) and Soto (2002).

**Figure 2: Causes and Effects of Sub-optimal Political Economic Institutions in Pursuit of Inclusive Development**



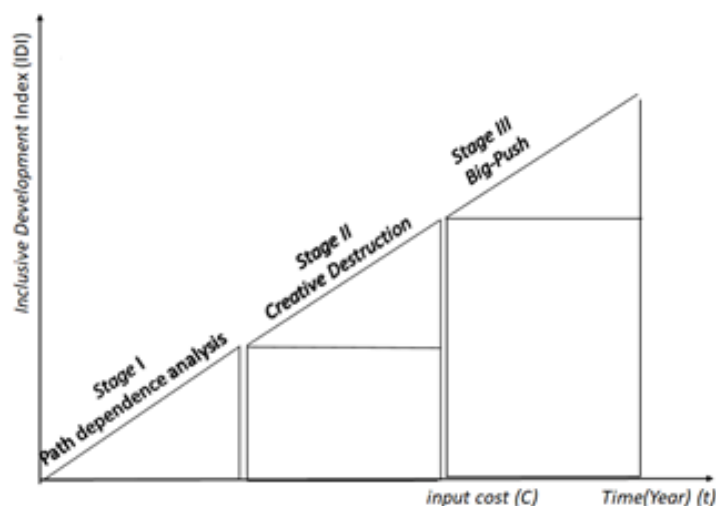
Source: Sketched by the author based on Acemoglu & Robinson (2016), Halder (2018), North (1991) and World Bank (1992)

**Figure 3: The Effect of Effective Institutional Reengineering on Development**



Source: Sketched by the author based on Acemoglu & Robinson (2012), Lopez *et al.* (2007) and North (1991).

**Figure 4: Three-Stage IRID Model and Steps of Reengineering Process**



**Stage I: Steps for Path-Dependence Analysis**

1. Ensure leadership consensus
2. Identify institutional engineers within the system
3. Ensure stakeholder and beneficiary inclusion
4. Acquaint with basics of IRID model
5. Identify contextual institutional blockages
6. Create shared propensity for institutional reform

**Stage II: Steps for Creative Destruction**

1. Set milestones of the reengineering
2. Analyse contextual Institutions
3. Revitalize the intended institutional changes (focus on major formal and informal enablers and disablers)
4. Plan in detail about indoctrination
5. Customize IRID index

**Stage III: Big-Push**

1. Endorse the reform
2. Create and empower mandated agency
3. Action research and digital record
4. Evaluate based on the index
5. Policy brief, lobby and feedback

*Source:* Sketched by the author based on Acemoglu & Robinson (2012), Lopez *et al.* (2007), North (1991), Rostow (1959), Schumpeter (1942) and Stan & Margolis (1995)

**Applicability of IRID Model**

The model can be applied at any development endeavor, but the following table may help comprehend the typology of the institution by level, function, and concept.

**Table 1: Application Level of IRID**

Level	Activity	IRID Applicability
Meta	Politics	Governance
Macro	Policy	Policy
Meso	Program	Administration
Micro	Project	Management

*Source:* Adopted from Goran *et al.*, 2003.



### ***Empirical Framework***

As inclusive development (United Nations, 2016, 2018; World Bank, 2009) and inclusive institutions (Acemoglu & Robinson, 2016) are recently emerging concepts, it is not as easy to find empirical works in the area. However, the earlier versions of inclusiveness were associated with inclusion in social sectors like the inclusion of migrants, races, impaired people, in education, health, social security, sport, culture, *etc.* Recently, inclusion in trade, technology, environmental protection, and finance are emerging areas. Nonetheless, more recent empirical literature considers inclusion in a broader scope like in growth and development. For instance, an inclusive development model introduced by WEF contains an inclusive development index and a graphical portrait that shows the nexus of variables (WEF, 2017).

Taking WEF (2017) IDI as a benchmark, Draper *et al.* (2018) analyzed the nexus of trade, inclusive development, and global order. In the article, economic growth, technology, structural change, trade, and political economy are found to be important determinants of inclusive development in G20 and non-G20 countries (Draper *et al.*, 2018). According to Asongu & Boeteng (2018), there is also literature on the negative association of foreign debt and inclusive development in Africa. They underlined that policy reforms introduced for MDGs and SDGs improved inclusion in Africa. They also claim that the liberalization of ICT in Africa transformed inclusive development.

## **Materials and Methods**

### ***Data Source***

This study fully relied on secondary sources of data. Apart from theoretical and empirical literature found in digital form, statistical data were pooled from different data providers like World Bank, IMF, WEF, Freedom House, *etc.*

### ***Research Methods***

As inclusive development is a new approach, this article combines germane notions already available in the literature. Besides, to answer the first research question, five-year (2013-2017) time-series data is pooled from 21 African countries; then, OLS Multiple Regression is employed. The analytical framework is adapted from WEF 2017 IDI and a simplified model specification is adapted from (Draper *et al.*, 2018). To address the second research question,

three theoretical foundations of inclusive development are sorted out in development literature. To address the third question, an institutional reengineering model is sketched based on eclectic concepts.

### ***Description of Regression Variables and Hypotheses***

*Inclusive Development Index (IDI)* of WEF: is a dependent scale variable and its scores are based on a 1-7 scale: 1 is worst and 7 is best. The five years' trend of IDI is used as the percentage change of the variable for the years between 2013 and 2017. Finally, only 21 Sub-Saharan African countries are included in the analysis because WEF did not simulate IDI for the rest countries. As an extension of WEF IDI, IRID-IDI is simulated in this research. It contains more indicators, especially relevant to the African context.

GDP per capita is an important indicator of inclusive development, but by no means per capita income alone can explain inclusive development (Todaro & Smith, 2015; WEF, 2017). There are also ongoing movements claiming that unchecked economic growth cannot ensure development for all. Likewise, there are emerging concepts, such as 'degrowth, buen vivir' and 'solidarity economy'. In countries where rent-seeking behaviors undermine the rule of law, economic growth may be registered together with perpetuation looting (DFID, 2008; Petersen & Schoof, 2015), but it cannot be sustainable.

*Hypothesis 1: Economic growth affects inclusive development positively.*

*Labor Productivity:* It is the quantity of GDP produced by an hour of labor. It gives information on how efficient a nation is using its workers (OECD, 2001).

*Hypothesis 2: Increase in labor productivity improves inclusive development.*

*Healthy Life Expectancy:* Life expectancy is one of the determinants of development. Improvements in health foster human capital accumulation (Cervellati, 2009). The 21 African countries are near to tropical area where people are prone to tropical diseases.

*Hypothesis 3: Healthy life expectancy positively contributes to inclusive development.*

*Structural Change:* Structural change within agriculture, change towards industry and openness in trade and investment are drivers of inclusive development (Draper *et al.*, 2018; Lewis, 1954;

Maitah, 2015; McMillan, 2016). Employment in the industrial sector is used as a proxy for the shift from agriculture to the industry sector.

*Hypothesis 4: Employment rate in the industry and augmenting export are supposed to have a positive correlation with IDI.*

*Political Economy:* (often synonymous to institutions) a driver of inclusive development (Acemoglu & Robinson, 2016; Draper *et al.*, 2018; Hodgson, 2006; North, 1991).

*Hypotheses 5-9: technology, democracy, safety, foreign direct investment and presence of seaport correlate with inclusive development positively (Acemoglu & Robinson, 2012; Faye et al., 2007).*

### **Model Specification**

The regression model is specified as follows based on Draper *et al.* (2018) and WEF (2017), and IRID concept.  $IDI = \alpha + \beta_1 Av.rGDPpercapita + \beta_2 Av.rlaborprodu + \beta_3 Av.rhealthyif + \beta_4 Av.remp.Ind + \beta_5 Av.rphonesub + \beta_6 Av.r.demoindx + B7Exp\%GDP + \beta_8 Av.FDI\%GDP + \beta_9 Av.Safety + \epsilon_i$

### **Findings, Conclusions and Recommendations**

The following findings, conclusions and recommendations are drawn based on the major findings from the literature review and the regression result (See the regression table from annex-scenario 1 for it satisfies OLS assumptions).

#### **Findings and Conclusions**

- $IDI = -3.8 + 0.35Av.rGDPpercapita + 0.04Av.rlaborprodu + 0.65Av.rhealthyif + 0.81Av.remp.Ind + 0.15Av.rphonesub + 0.36Av.r.demoindx + 0.11Exp\%GDP + 0.08Av.FDI\%GDP - 0.33Av.Safety + \epsilon_i$
- The theoretical foundation of inclusive development is *inter alia* found within the concepts like entitlement (empowerment and welfare), sustainability and ethics in development approaches. Moreover, it is found relevant that the institutional reform and inclusive development are governed based on the enlisted principles.
- The five-year average of GDP per capita is statistically significant ( $\alpha=10\%$ ) determinant of inclusive development. If the five-year average real GDP per capita increases by one \$ (USD), the inclusive development index increases by 0.35%.

- Improvement in the health (proxied by life expectancy) is also a statistically significant ( $\alpha=1\%$ ) determinant of inclusive development. If the five-year average life expectancy increases by one-year, inclusive development index increases by 0.65%.
- A structural change (proxied by the rate of employment in the industry sector) is also a statistically significant ( $\alpha=1\%$ ) enabler of inclusive development. If the five-year average of the employment rate in the industry sector increases by 1%, inclusive development increases by 0.81%.
- Democracy is also a statistically significant ( $\alpha=10\%$ ) institutional variable in the regression. If the five-year average of democracy index increases by 1%, inclusive development improves by 0.35%.
- Labor productivity and export correlate with inclusive development positively, but they are not statistically significant. It may be because their effect is already absorbed by GDP per capita.
- Technology has also contributed positively, but it is not statistically significant in the model. It may be due to its low access and less diversification.
- Against the hypothesis, safety and rule of law index are negatively correlated with inclusive development. One potential reason, however, is that in the countries that are in the democratic transition, inclusive development was improving but safety and rule of law were deteriorated at the same time. This might be a short-term phenomenon. Accordingly, even if inclusive development has been slightly improved (4%), safety and rule of law index were deteriorated by 1.3%. This is consistent with the political crisis in Africa that has prevailed since the year 2010 as already explained in the earlier section.
- There is a statistically significant difference in the mean value of inclusive development between landlocked countries and those countries that have seaport/s. The seaports have a positive correlation with inclusive development but are not statistically significant.

### **Recommendations**

- Improvement in real per capita income, human capital, structural change in industry and democracy are the major determinants of inclusive development, which need immediate attention.
- Broadly put, inclusive development is highly dependent on the quality of institutions, enforcement capability (of the agency) and structural change in socio-economic sectors. Therefore, institutional reengineering is the foremost step in development transformation towards inclusion.
- The reengineering model recommended in the article could be benchmarked and customized in any development endeavor.
- Rather than merely sticking to the values of laissez-faire capitalism, an endeavor towards egalitarian society should also be encouraged through inclusive development principles and institutional measures.

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Illustrations, Figures, Graphs, and Tables

Annex 1: Descriptive Statistics

. summarize

Variable	Obs	Mean	Std. Dev.	Min	Max
wefidiscor	21	3.142857	.338484	2.8	4.2
idichecked	21	3.533333	.5615455	2.6	4.7
yrstrendidi	21	3.847619	1.834017	1	7
irididi	21	3.804762	1.696607	1	7
gdppercapita	21	1957.667	2008.902	218	7504
laborprodu~y	21	13623.29	13743.91	1451	44197
healthylif~s	21	54.64762	5.851633	44.4	67.6
employment	21	63.12381	16.55346	38.9	84.6
netincomeg~i	21	39.5	7.563333	30.3	57.7
povertyrate	21	57.40952	27.92128	3.9	91.1
wealthgini	21	71.2619	10.02898	55.2	91.7
medianinc	21	3.147619	1.88749	1.1	7.7
adjnetsav	21	1.050476	11.02846	-15.3	24.8
carbonintk~p	21	76.4	68.73392	3.2	215.6
publicdebt~p	21	51.43333	21.47998	18.6	99.6
depratio	21	79.62857	15.75827	46.4	101.5
dummylandl~k	21	.4285714	.5070926	0	1

Annex 2: Regression Results

Scenario: Drivers of Inclusive Development Index: A Regression Using IRID IDI as a Dependent Variable

. reg irididi avrgdp avlabpro avlifeexp avempindu mobphn demoinx expgdp fdigdp safetynruleoflaw

Source	SS	df	MS	Number of obs	=	21
Model	52.389978	9	5.82110867	F(9, 11)	=	12.36
Residual	5.17954271	11	.470867519	Prob > F	=	0.0001
Total	57.5695207	20	2.87847604	R-squared	=	0.9100
				Adj R-squared	=	0.8364
				Root MSE	=	.6862

irididi	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
avrgdp	.3479788	.1917575	1.81	0.097	-.0740766 .7700342
avlabpro	.0388512	.1310995	0.30	0.772	-.2496968 .3273993
avlifeexp	.650391	.1783702	3.65	0.004	.2578009 1.042981
avempindu	.8140732	.1661486	4.90	0.000	.4483826 1.179764
mobphn	.1484421	.146772	1.01	0.334	-.1746008 .4714851
demoinx	.357042	.1815623	1.97	0.075	-.042574 .7566581
expgdp	.119893	.1177749	1.02	0.331	-.1393278 .3791137
fdigdp	.0801989	.1078031	0.74	0.473	-.1570741 .3174719
safetynruleoflaw	-.3309066	.2448602	-1.35	0.204	-.8698402 .208027
_cons	-3.933489	1.456445	-2.70	0.021	-7.139104 -.7278742

**Annex 3: Drivers of Inclusive Development Index-Regression based using World Economic Forum (WEF) IDI as a Dependent Variable**

. regress yrstrendidi avrgdp avlabpro avlifeexp avempindu mobphn demoinx expgdp fdigdp safetynruleoflaw

Source	SS	df	MS	Number of obs	=	21
Model	43.3266762	9	4.81407513	F(9, 11)	=	2.21
Residual	23.9457042	11	2.1768822	Prob > F	=	0.1076
				R-squared	=	0.6440
				Adj R-squared	=	0.3528
Total	67.2723804	20	3.36361902	Root MSE	=	1.4754

yrstrendidi	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
avrgdp	.8291059	.4123067	2.01	0.069	-.0783751 1.736587
avlabpro	-.6581893	.2818832	-2.33	0.040	-1.27861 -.0377686
avlifeexp	.7471045	.3835221	1.95	0.077	-.0970218 1.591231
avempindu	-.1639731	.3572439	-0.46	0.655	-.9502616 .6223155
mobphn	.3179689	.3155813	1.01	0.335	-.3766208 1.012559
demoinx	.3224265	.3903857	0.83	0.426	-.5368065 1.18166
expgdp	.5279325	.2532333	2.08	0.061	-.0294302 1.085295
fdigdp	.0417949	.2317925	0.18	0.860	-.4683769 .5519668
safetynruleoflaw	-.1347682	.5264853	-0.26	0.803	-1.293554 1.024018
_cons	-5.061528	3.131571	-1.62	0.134	-11.95407 1.831014

**Annex 4: Comparison of WEF and IRID IDI Indices**

Countries	WEF IDI Score	WEF IDI Checked	WEF 5YrsTrend IDI	IRID IDI Score
Algeria	4.2	4.0	4.1	4.3
Burundi	3.3	3.5	2.6	1.0
Cameroon	3.3	3.3	1.0	2.5
Chad	3.0	3.6	5.0	1.1
Egypt*	2.8	4.6	1.0	5.3
Ghana*	3.3	4.7	6.2	6.2
Madagascar	3.0	3.3	3.2	2.4
Malawi*	2.8	3.9	4.4	2.4
Mali	3.1	3.1	1.8	3.8
Mauritania	3.0	2.6	4.8	4.2
Namibia*	3.3	3.7	2.6	5.6
Nigeria	3.1	3.2	3.0	3.0
Rwanda	3.2	3.4	4.0	4.3
Senegal	3.1	2.9	1.5	4.7
Sierra Leone	3.0	3.4	6.2	2.4
South Africa*	2.9	3.5	2.9	6.7
Tanzania	2.8	4.6	5.7	3.3
Tunisia*	3.8	2.9	6.8	7.0
Uganda	3.2	3.2	3.2	3.1
Zambia	3.0	3.3	3.8	4.2
Zimbabwe*	2.8	3.5	7.0	2.4

\*represents land-locked countries

**Annex 5: IRID Index Explained**

Weight	Inclusive Dev. Sub-indices	Proxy	Potential Source of Data
<b>Economic Inclusion Index (EII)</b>			
1/13	Per capita Income	Real per capita income	IMF World Economic Outlook
1/13	Food Poverty	Global Hunger Index	IFPRI and Welthungerhilfe.
1/13	Poverty Rate	Population below poverty line (%)	CIA World Factbook
1/13	Income equality	GINI Coefficient	World Bank/UNDP
1/13	Access to potable water	People using safely managed drinking water services (% of population)	World Bank
1/13	Price Stability	CPI	World Bank
1/13	Access to road	Roads and bridges infrastructure industry value, real growth	FitchSolutions
1/13	Access to electricity	Access to electricity (% of population)	World Bank
1/13	Quality of Property Right	Property right index	The Heritage Foundation, TheGlobalEconomy.com
1/13	Dependency Ratio	Age dependency ratio (% of working-age population)	World Bank
1/13	Labor productivity	real economic output per labor hour	World Bank
1/13	Financial Inclusion	Adults with an account (%)	World Bank
1/13	Entrepreneurial Inclusion	The Global Entrepreneurship Index	The Global Entrepreneurship and Development Institute
<b>Technological Inclusion Index (TII)</b>			
1/3	Adoption	Digital Adoption Index	World Bank
1/3	Access to Telecom	Mobile cellular subscriptions (per 100 people)	World Bank
1/3	Innovation	Innovation index	WIPO - World Intellectual Property Org.
<b>Social Inclusion Index (SII)</b>			
1/6	Health Inclusion	Life expectancy at birth (years)	UNDP
1/6	Educational Inclusion	Literacy rate, adult total (% of people ages 15 and above)	World Bank
1/6	Disability (Impairment) Inclusion	Total Literacy rate impaired persons	UN Statistics division
1/6	Gender inclusion	Gender Inequality Index	UNDP
1/6	Children inclusion	Kids Rights Index	<a href="http://www.kidsrightsindex.org/">http://www.kidsrightsindex.org/</a>
1/6	Diversity Inclusion Index	Inclusive education index	NA for many countries
<b>Political and Administration Inclusion Index (PAII)</b>			
¼	Democracy	Democracy Index	The Economist Intelligence Unit
¼	Corruption perception	Corruption Perception Index	Transparency International
¼	Civil society participation	Civil liberties Index	Fitch Solutions
¼	Trust in Government	Trust in Government Index	World Bank
<b>International Inclusion Index (III)</b>			
¼	Carbon concentration	CO2 emissions (kg per PPP \$ of GDP)	World Bank
¼	National Security	National Cyber Security Index	NCSI
¼	FDI Inclusion	FDI Inflow % of GDP	World Bank
¼	Trade Inclusion	Net export, % of GDP	World Bank
<b>Future Generation Inclusion (FGII)</b>			
½	Environmental Sustainability	CPIA policy and institutions for environmental sustainability rating	World Bank
½	Public Debt	Total government debt, %GDP	Fitch Solutions

IDI=(EII+SII+PAII+III+FGII)/6 IRID.