

Report

Qatari-Ethiopian Relations: Prospects after the Emir's Visit

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The visit of the Emir of Qatar, Sheikh Hamad bin Khalifa Al Thani, to Ethiopia on 11 April 2013 was an opportunity to assess bilateral relations. This visit restored relations after they had been terminated in 2008 and allowed for many cooperation agreements to be signed. The objective of this study is twofold: to examine Qatar's interest in strengthening ties with a country that has become an increasingly influential geopolitical actor in the African continent and offer possible lines of thought about the nature of the bilateral cooperation and its means of expression in light of prospective economic development in Ethiopia.

To set the terms of the study and offer a framework for our reflection, we will start by putting Ethiopia in the context of its fundamental dimensions. More than a description of the actual strengths and weaknesses of this state, this introduction will help us understand how projecting Ethiopia as a rising regional power (in the economic, strategic and military domains) is a key element in advocating the reinforcement of cooperation between Doha and Addis Ababa.

Finally, we will also highlight the leading role played and to be played by Ethiopia in strengthening the stability in the Horn of Africa.

Ethiopia Today: Strengths, Weaknesses and Prospects

Ethiopia has the second largest population in Africa, with around 90 million inhabitants. The ninth largest country in the continent, covering over 1 million square kilometres, it is the only state in the region without an open seafront.

Following the usual evaluation standards of a state's power, this country possesses power factors that make it seem like a strong state. In spite of its indisputable tools of influence, its current situation does not rise to the expectations. Marked by decades of political instability, endemic poverty and the inability to establish stable relations with some of its neighbours, today Ethiopia faces multiple difficulties both on the domestic and regional levels.

In spite of an internationally negative reputation, largely due to the pictures of the harsh famines that have struck the country since the 1980s, prospects of improving the general situation are encouraging. As such, it is important to note that Ethiopia figures among the countries that will soon emerge in the international scene. Indeed, the traditional emerging countries labelled as "BRICS" (Brazil, Russia, India, China and South Africa) are now settled among the most dynamic economies in the world. Their ongoing economic boom, which started 30 years ago, gives them unprecedented political influence far from their weight in the Cold War era. This new power geography, inherited from the globalisation, has paved the way for a new balance in the world where the West has lost the monopole of power. Indeed, in wake of BRICS, another category of powerful states will take over.

Named BENIVM, the acronym for Bangladesh, Ethiopia, Nigeria, Indonesia, Vietnam and Mexico, this new wave of major globalisation actors have been thoroughly analysed by researcher Laurence Daziano.

A lecturer at the Paris Institute of Political Sciences, she has identified five possible criterions to identify the great emerging countries as detailed here:

- A population of at least 100 million people (enough for a domestic and rapidly growing market)
- A ten-year growth path of around 5%
- Highly dynamic urbanisation
- Infrastructural needs fuelling the economical boom (fluidity of transports, energy mix balance to limit dependency, access to drinkable and running water)
- Political stability, regardless of the regime type, allowing for the implementation of long-term projects

In this new classification, we can't help but notice that Ethiopia stands as a promising country. Economic growth is already sustained and has settled at around 10% in the past years. With a population due to reach 170 million in 2050 and a high urbanisation rate, the potential for growth is substantial and macro-economic indicators will have to follow the positive evolution that started about 15 years ago.

Similarly, the stabilisation of the democratic process, symbolised by the smooth transition after Prime Minister Mallas Zenawi's death in the summer of 2012 (he was the strong man of the country for over 20 years), is an additional asset, highlighting the generally positive climate.

After the rise of South Africa, which remains the real drive behind the African economy until today, Ethiopia and Nigeria represent the new centres of growth, boosting the entire continent in the coming years.

It is also noteworthy that Ethiopia has initiated a diversification of its economic fabric, allowing for opportunities in various domains. Even if industrial production still contributes feebly to the global national wealth (around 15%), other sectors are thriving. Agriculture, which remains a major sector, employs over three-fourths of the country's active population and is dynamic enough to make the country self-sufficient by 2015. In addition, the country's energy potential, notably through hydroelectricity, is very important and allows Ethiopia, thanks to a great dam policy and the rational management of its water reserves, to produce great amounts of electricity, which it sells part of to its neighbours. Although it remains minimal, tourism could take off in the short run given the highly attractive landscapes of the country. Finally, it should be noted that large parts of Ethiopian territory have yet to be discovered and there are great indications that the underground is overflowing with natural resources (ore or even hydrocarbons).

A Multi-Faceted and Mutually Profitable Partnership

The assessment above of Ethiopia's strengths and weaknesses is an essential introduction for the analysis of Qatar's opportunity to establish a solid partnership. In the second part, we will identify the areas where Qatar should focus on to facilitate a win-win partnership with this great African country. Indeed, even if opportunities are numerous, Ethiopia remains dependent on foreign investments for numerous sectors in which the state cannot afford to get involved. Qatar's support could be beneficial within this framework.

- **Financial area**

In view of the strong activity of Ethiopia's food industry, Qatar should be able to engage in that area. Farming licences have already been conceded to other countries (such as India, Saudi Arabia, China, the United Arab Emirates, etc). Buying arable lands, which cover 65% of Ethiopian territory, could be an element of future cooperation. Ethiopia could benefit from the enhancement of new lands and secure new food supplies for Qatar. Also, it should be noted that Ethiopia holds 15% of Africa's livestock, ranking first in the continent and 9th worldwide.

Because tourism is still underdeveloped, it is valid to believe that, in view of Ethiopia's beautiful and varied landscapes, seen as some of the most vibrant in the world, this sector has significant potential for growth.

Likewise, given the rapid population growth and the healthy and steadily growing economy, real estate is a promising sector. According to a Mercer survey, the "Cost of Living 2010," carried out in over 200 countries worldwide, Addis Ababa is the cheapest megalopolis in the continent. Investing in real estate projects today can potentially trigger substantial growth in the near future thanks to the demographic boom and the improvement of the population's financial situation, with people joining the middle or higher class. Although neglected today, Addis Ababa could then become one of the most flourishing capitals, notably because of its airport, an increasingly important hub in the region.

The energy sector, especially for renewable energies, also offers encouraging prospects. The potential for hydroelectric or geothermal energy, wind power or even solar energy is significant. The territory's size, climatic conditions and physical geography alike are favourable grounds for such investments.

- **Geopolitical and Strategic Areas**

Ethiopia is at the heart of the Horn of Africa, a strategic and highly sensitive zone. Bordered by a failed state (Somalia), sharing borders with the two youngest African states (Eritrea and South Sudan, 1993 and 2011 respectively), confronted with crucial security issues ranging from international terrorism to sea pirates in the Gulf of Aden, the country regularly faces an unstable and volatile immediate environment.

Meanwhile, given its geographic location, demography, economic power and especially its sizeable army, Ethiopia has often played the role of “regional policeman” and it is legitimate to assume that this role will last.

Ethiopia’s military force is not equal to that of its neighbours and this limitation has allowed Addis Ababa to play a dual role, being able to get directly involved in Somalia between 2006 and 2009 to restore the authority of the transitional federal government and also actively participating in peacekeeping operations under the authority of the United Nations or the African Union such as the deployment of Ethiopian soldiers between the two Sudans.

This power projection should be considered in the redeployment of the Qatari presence in the Horn of Africa. Like researcher Robin Beaumont justly notes, this region was an area of predilection for the Qatari authorities’ international mediation endeavour before the Arab Spring erupted. As a result of the “Darfur process” for resolving the conflict between Darfur rebels and the government in Khartoum, the deployment of Qatari soldiers to enforce the border agreement between Eritrea and Djibouti, the Good Offices Mission for the pacification of Somalia, etc., Doha’s activity in the region was deep-rooted and regularly praised by the entire international community. Even if, like other international initiatives, mediation by Qatari authorities did not lead to tangible results, multiple human, diplomatic and financial means have nevertheless been provided by Doha in an effort to pacify one of the most turbulent regions on the globe.

It is in this context that a diplomatic incident took place between Ethiopia and Qatar in April 2008. Finding Doha’s activism too close to its Eritrean rival, Addis Ababa unilaterally ended its diplomatic relations, accusing Doha of being “a major source of instability in the Horn of Africa.” Voicing its “surprise,” Qatar answered through the spokesperson of its Ministry of Foreign Affairs Ministry, rejecting its “baseless and unfounded allegations,” perceiving it “a blatant attempt to justify the wrong policies of the Ethiopian Government.”

From our perspective, these tense times definitely belong to the past and the Emir’s visit officialised a new take on the bilateral relations based on a shared understanding of common interests. On the Qatari side, this new phase has three rationalisations:

- The implementation of the major strategic axis of Qatar’s official diplomacy summed up in the phrase “zero enemies”: with Ethiopia located next to the Arab peninsula, Qatar had to re-engage with this important actor to reduce the hotbeds of tension and continue its influential diplomacy in the African continent.

- Taking Ethiopia's dominant position as a major actor of the regional strategic equation into account: following previous development, this country is the true economic locomotive of the region and a military heavy-weight. It was essential for Qatar to rapidly resume cordial relations and not lock itself into an alliance with a strategic scope limited to Eritrea.
- Even if relations with Asmara are useful and beneficent, it was important to shed off the image of an emirate associated with the sulphurous Eritrean president as had been the case in 2000. In addition, this strategic proximity with an actor isolated by the international community and the African Union could have tarnished Qatar's image. It is necessary to keep in mind that Eritrea, as the July 2011 United Nations report stated, plotted a terror attack during an African Union forum held in Addis Ababa. Its reluctance to engage in any constructive dialogue, which earned it the nickname, "Africa's North Korea," (notably coined by researcher Alain Gascon), Asmara was shunned by the nations, suspended by the African Union and reinforced its ostracism by withdrawing from other regional organisations such as the Intergovernmental Authority on Development (IGAD).

These different explanations fuel the idea that Qatar has great interest in diversifying its friendships in the region by rebuilding solid relations with Ethiopia. Indeed, establishing strong ties on the political level often lays the foundation for fruitful economic cooperation. Also, the time is right. Heading the African Union since January, Ethiopia will benefit from vast international exposure next month during the celebrations of the African Union's 50th anniversary. This symbolic moment will highlight the host country, crediting it with the image of a radiant state, turning its back on economic slump, hunger and intestine wars. In the soft power dynamic, cherished by the Qatari authorities, this should be taken into consideration because it helps instil the image of a responsible state turned island of stability in spite of a troubled regional configuration.

Conclusion

In a long-term investment strategy for the Qatari sovereign fund, Ethiopia is certainly one of the African countries offering most incentives. Emerging as the diplomatic, military and economic centre of gravity for the entire Horn of Africa, Ethiopia is a promising state. Within Qatar's diplomatic edifice and its willingness to multiply strategic alliances with influential states, Sheikh Hamad's visit must be the prelude to strong ties within a mutually beneficial partnership.

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Le paradoxe diplomatique du Qatar comme moyen d'accès à la consécration, Revue internationale et straté

This view is held by the leaders of the Revolutionary Guards, deputies in the Shura

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