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## The End of the Eritrean Exception?



SAIIA



Country Report No. 8



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Ross Herbert

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# The End of the Eritrean Exception?

Ross Herbert<sup>1</sup>

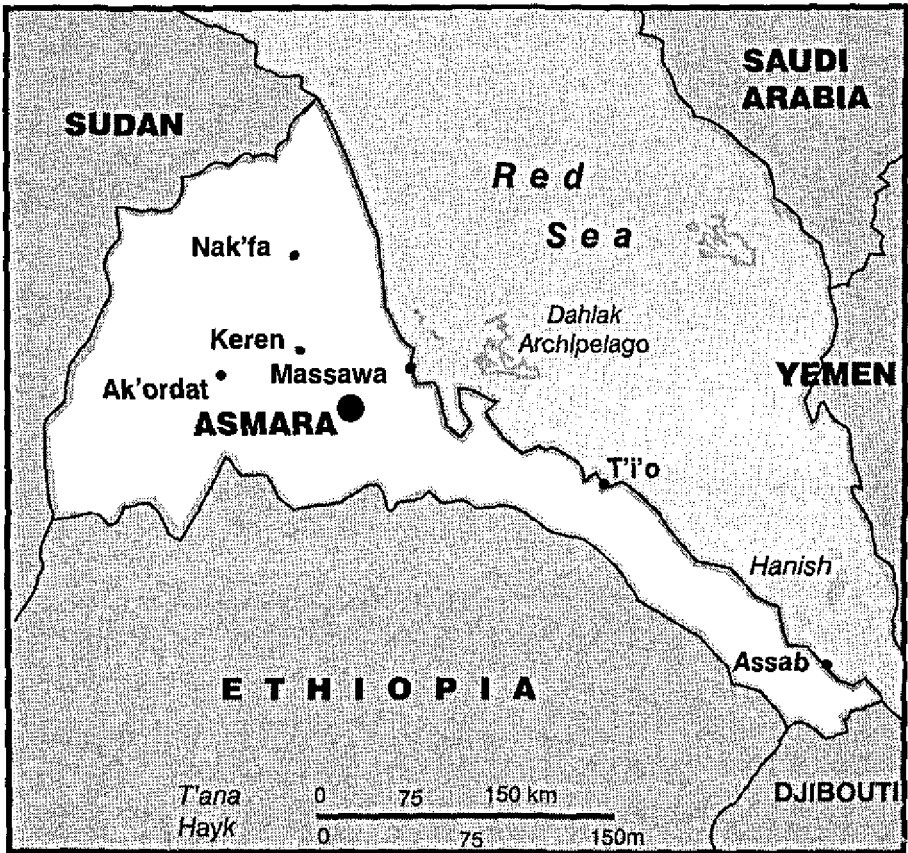
When Eritrea fought its way to freedom from Ethiopia in 1991, after a bloody 30-year war, it was hailed both within the country and by the international media as a laudable exception to the decline and instability of much of Africa in the 1980s. Like the United States (US) and the new South Africa, Eritrea considered itself an exception among nations, a state founded on principle rather than ethnicity.

Eritrea had defeated a vastly larger foe, which had been backed for years by the Soviet Union. Eritrea's leaders had a strong, effective chain of command, deep popular support and a determination not to make the same mistakes as governments in the rest of Africa. On even cursory inspection, Eritrea did seem different. Its streets were spotless, its people industrious and proud. Years of war had built a national dedication to self-reliance and a disdain for begging and foreign aid. Corruption was and is rare.

However, Eritrea has undergone a dramatic reversal in the past two years, making the dream that it could be an exception among African states look increasingly remote. Eritrea's reputation and its president's once unquestioned public support have faltered. Indeed, there is a growing international and domestic perception that Eritrea under President Isaias Afewerki has taken the nation's virtues of pride and self-reliance too far toward arrogance and pointless confrontation.

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In the decade since it won freedom, Eritrea has threatened neighbouring Djibouti with war, been in battle in Sudan (although the Eritrean government adamantly denies it), fought Yemen over the Hanish Islands, and from 1998–2000 engaged in a brutal, strategically pointless border war with Ethiopia—the most intense war ever fought by African states.

In June 2001, 15 political heavyweights from the liberation struggle, including two top liberation commanders and two cabinet ministers, broke ranks with President Isaias and released a public letter criticising him for being undemocratic, for mismanaging the conflict with Ethiopia and for monopolising power in the presidency in defiance of the country's

constitution. The letter demanded that Isaias convene a meeting of the ruling party central committee, consult the National Assembly (as required by the constitution), and promulgate a draft law which had been delayed for several years permitting multiple political parties in the country. In response Isaias fired the two cabinet ministers, and arrested the 11 signatories who reside in Eritrea on charges of treason. All private newspapers were closed, and independent journalists arrested. Neither journalists nor the signatories were charged or appeared in court. Elections long planned for December 2001 were never held, and the law permitting multiparty democracy was blocked.

As the crackdown continued, the Italian ambassador, Antonio Bandini, protested over human rights violations. Isaias promptly expelled Bandini, who was also the European Union (EU) representative in Eritrea. All other European states recalled their ambassadors, and Italy expelled the Eritrean ambassador. The US also protested about human rights violations. The same day two Eritrean nationals working at the embassy were arrested, ostensibly for translating press reports and government documents.

In the wake of the most recent war with Ethiopia, EU member states had pledged \$62.8 million in aid, which represented roughly half of the total post-war reconstruction pledges to Eritrea.<sup>2</sup> While aid for demobilisation is likely to go ahead, the rest has been quietly frozen, casting a significant shadow over efforts to rebuild the damage caused by the war.

The crisis and Isaias's refusal to tolerate dissent raise the crucial question of whether Eritrea truly is different, or whether it will follow the rocky trail taken by so many autocratic liberation-era leaders who refuse to cede power peacefully.

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<sup>2</sup> Out of a proposed \$190 million demobilisation fund, Eritrea received pledges of \$130 million at a September donor conference, including \$90 million from the World Bank, \$42.8 million from the EU, \$16.5 million from the Netherlands, \$2.5 million from Denmark and \$1 million from Norway. See United Nations Integrated Regional Information Network (IRIN) news archive at [http://www.irinnews.org/report.asp?ReportID=11449&SelectRegion=Horn\\_of\\_Africa&SelectCountry=ERITREA](http://www.irinnews.org/report.asp?ReportID=11449&SelectRegion=Horn_of_Africa&SelectCountry=ERITREA).

Clearly the fallout from this second war with Ethiopia and the consequent political crisis will remain the central dramas of Eritrea for years to come. A full understanding of the present complex political situation first requires a careful view of recent history.

The following sections examine Eritrea's colonial history, its struggle for independence, its complex relations with the former Tigray rebels who now control the Ethiopian government, the years from independence to the start of war in 1998, and Eritrea's economic problems. The concluding sections return to current events and look at the country's prospects for the future.

## **The colonial period**

For about two centuries, starting in the 1600s, the Eritrean coastal lowlands were under Ottoman control. By the 1820s, Egypt had taken over the lowlands, but was twice defeated by Ethiopian forces as it tried to capture the central highlands. This lends support to Ethiopian claims that its suzerainty over Eritrea predated the arrival of Italian colonialists in 1865. From its first foothold, gained through control of the port of Assab, Italy established full authority over the Eritrean territory in the 1880s. It attempted to conquer Ethiopia, but was defeated by Ethiopian forces in 1896 at Adua. In 1900, 1902 and 1908, Italy and Ethiopia signed treaties acknowledging Italian control of Eritrea, and specifying the common border. However, the border region remained sparsely populated, and largely ignored by government.

In 1935, during its Fascist period, Italy conquered Ethiopia, but was defeated in the region in 1941 by British and Commonwealth forces. For the next decade, Eritrea was under British military rule, which saw the introduction of political parties, the first broadly available public education, a pluralistic approach to governance and an incipient public desire for democracy. However, US pressure brought about a 1952 United Nations (UN) deal under which Eritrea and Ethiopia were federated. In theory, Eritrea was meant to have autonomy within the federation. In practice, Ethiopia actively suppressed autonomy, dismantled many Eritrean industries and shipped them to Addis Ababa and, in 1962, annexed Eritrea as a province. Armed struggle against Ethiopian rule began in 1961 and continued for 30 years.

## The liberation era

The liberation war remains the cultural centre of Eritrea, which fought longer and more intensely for its freedom than any other African state. It is also the basis of political legitimacy: roles played during the struggle determine how civil service and parastatal jobs are distributed. And it continues to resonate with the public through the myth of an idyllic struggle for justice in which people worked for a common good, and were fed and cared for without regard for profit. That central national story also reinforces the political authority of the present political leaders, who led the struggle against Ethiopia.

The liberation war against Ethiopia resembled Afghanistan's war against the Soviets in terrain, combat style and the overwhelming advantages of one side in terms of both troops and weapons. In Eritrea, caves were dug into the ground to house hospitals and schools. Burned-out tanks and military vehicles still dot the landscape. The lattice of hillside trenches around Nakfa, the Eritrean mountain base, are tended as a national monument, and the celebration of *Martyr's Day* remains one of the most important national holidays.

While rebel movements across the continent managed to exploit the Cold War to win military and economic support, Eritrea's liberation war received almost no outside assistance, as the West and the Soviet bloc were far more interested in competing for influence with Ethiopia. The lack of international support meant that virtually all of the movement's weaponry was captured and services, from health to schooling, had to be organised by the liberation movement. With Ethiopian atrocities essentially ignored by the world, the Eritrean People's Liberation Front (EPLF) developed an intense culture of self-reliance which continues to influence politics powerfully today.

The first organised resistance started in the predominantly Muslim coastal lowlands with the emergence of the Eritrean Liberation Front (ELF), which remained essentially an Islamic-based organisation. Later the EPLF was established, drawing most of its initial support from the Christian highlands, but espousing a commitment to equality among Muslims and Christians and all nine tribal language groups.



The animosity felt by Eritreans toward Ethiopian rule arose in part from the Ethiopian system. It remained a nearly medieval feudal state that was both repressive and technologically and administratively backward, compared with the systems Eritrea had been governed by under Italian and British rule.

In the 1970s, the ELF and the EPLF engaged in a series of wars, which ended in 1981 with the EPLF victorious and in complete command of the military and political agenda. The ELF was driven into Sudan and ceased to be a meaningful player in the liberation struggle. The legacy of that war, the activist Islamic fundamentalist regime in neighbouring Sudan, and the split in Eritrea's population—evenly divided between Muslim and Christian—have shaped the present government's thinking. The EPLF, whose leaders constitute Eritrea's government, is intensely wary of an Islamic-based political and military insurgency.

Throughout the 1980s the war against Ethiopia escalated, with trenches, tanks, artillery and Cuban troops backing Ethiopia, as well as aerial bombardment. Eritrean forces fought using classic guerrilla tactics, but shifted to conventional warfare in the late 1980s, using captured tanks and artillery. The collapse of the Soviet Union brought an abrupt end to cheap arms and fuel for the Ethiopian government, which contributed to rapid advances for the Eritreans on the battlefield.

## **Brothers in arms with Ethiopians**

In 1974, the Ethiopian emperor, Haile Selassie, was overthrown in a coup by the Derg, a committee of radical junior military officers. Led by Lt Col Mengistu Haile Mariam, the Derg government proved more autocratic and far more brutal in its repression of opposition than Selassie had been. In the northern province of Tigray, home to the ancient Ethiopian capital at Axum and many Tigray emperors, the Tigray People's Liberation Front (TPLF) took up armed struggle in 1974–75. The EPLF provided significant military training and support to the TPLF. Meles Zenawi, now Ethiopian prime minister, led the TPLF, while Isaias led the EPLF, which changed its name to the People's Front for Democracy and Justice (PFDJ) after independence.

While the EPLF and TPLF became allies in the fight against Mengistu, significant and sometimes bitter ideological and tactical differences

periodically arose between them. Both were deeply affected by Marxist-Leninist ideology, but the TPLF leadership (which now rules in Ethiopia), inclined towards Maoist principles. The more experienced EPLF saw itself as the elder brother in the relationship, and this contributed to friction between the two movements. Bitter ideological disputes were played out in public, with the TPLF branding the EPLF 'undemocratic' and 'imperialist', while the EPLF labelled the TPLF 'childish'.

In the early 1980s, the TPLF established relations with an Eritrean liberation group that was a rival to the EPLF. In a harsh demonstration of power at the height of an Ethiopian famine in 1985, the EPLF prevented the TPLF from crossing Eritrean territory to get food supplies from Sudan. The resultant suspicion of, and anger toward, the EPLF felt by the TPLF continued for many years. The two movements eventually settled their differences and renewed their military co-operation after a 1988 meeting in Sudan.

The Italian colonial period brought industry, railroads, modern city infrastructure and administration to Eritrea at a time when Ethiopia was deeply feudal, and far less developed, especially in technology and administrative systems. In the 1950s, Eritrea claimed to be the most highly industrialised African state outside South Africa. While this is admittedly a highly subjective interpretation, Ethiopians charge that the comparative modernity of the main Italian-built Eritrean cities fostered a sense of superiority among Eritreans. Tigrayans complain that Eritreans look down on them, referring to them as *agame*, a name derived from a border area, and meaning 'an unsophisticated country bumpkin'.

Apart from their Marxist doctrinal differences, the TPLF and the EPLF were in strong disagreement over the significance of ethnicity. This split assumed crucial importance in the 1998 border dispute. An early TPLF manifesto asserted that one goal of the movement was the creation of a greater Tigray that would eventually break away from Ethiopia and unite all Tigray speakers. The EPLF, faced with the issue of nine ethnic groups and a population that was half Muslim, held to a principled stand in favour of equality between religions and tribes. (Eritrea's very existence as an entity is defined by colonial geographic control rather than by ethnicity.) When war broke out in 1998, Eritrea revived accusations that hardline Tigray nationalists were covertly attempting to enlarge Tigray and realise their early 1970s goal

of an independent greater Tigray, which some would argue had been largely forgotten.

Isaias and Meles were said to be close allies during the war against Mengistu. However, the germs of their earlier disagreements remain active in their relationship today.

The war also forged an intense determination and a willingness to fight on, even against seemingly overwhelming odds in both liberation movements. 'Never kneel down' is something of a national slogan in Eritrea. Indeed, stubbornness in the face of external criticism is a crucial factor in the current leadership of both Eritrea and Ethiopia. As one Western investor said of Eritreans, 'The worst thing you can do with an Eritrean fighter is appear to be giving advice or telling them what to do.'

## **Independence to 1998**

Despite the differences between them that marred relations during the Ethiopian liberation war, publicly Eritrea and Ethiopia appeared to be the closest of allies after the two respective liberation movements assumed power in 1991. Both spoke warmly of increasing economic co-operation and even an economic federation. In 1993, Ethiopia welcomed a UN-sponsored referendum on independence in Eritrea, and accepted the overwhelming vote in favour of a separate Eritrean state.

Until 1997, the ideological differences between the EPLF and the TPLF seemed to have been forgotten, as both countries concentrated on rebuilding. However, the apparent brotherhood between Eritrea and Ethiopia was shattered by war in 1998. The precise cause of the war remains uncertain, but many factors—from arrogance to economic rivalry to internal political pressure—contributed to it. Several minor border incidents occurred in 1997, and Isaias wrote three letters to Ethiopian Prime Minister Meles requesting a resolution. The most serious issue revolved around Ethiopian troops who had, according to Isaias, been permitted to enter Eritrea in pursuit of Afar rebels but had never left, and had begun setting up an administration in the Bada area, the best agricultural land in Eritrea.

At the same time, economic disputes began brewing over Eritrea's planned new currency, the nakfa. After independence, Eritrea continued to use the Ethiopian birr as its national currency, but announced in 1992 its intention of launching a separate Eritrean currency. In early 1997, Eritrea forwarded suggestions to Ethiopia as to how the nakfa would be launched and how the two closely linked states should conduct trade and banking. Eritrea proposed a one-to-one exchange rate between the birr and nakfa.

According to Eritrean officials, Ethiopia did not reply to, or discuss the issue for eight months. In October 1997, Ethiopia rejected Eritrea's plan, and demanded they assume an arm's length relationship, with all future trade conducted in hard currencies and by means of letters of credit. Senior Eritreans considered the rejection a slap in the face. When the nakfa replaced the birr in Eritrea in November 1997, a backlog of trade immediately began to build up at the border. In retaliation for Ethiopia's decisions on the currency, Eritrea blocked trade. The new currency regime effectively ended what had been an informal free trade zone between the two nations, adding to distrust between the leaders and increasing the tension caused by border disputes, because the new monetary and trade regime required clear customs and border post procedures.

The relatively low economic value of the disputed border zones over which the war was fought gave rise to many theories about the broader reasons for the conflict. Although many factors clearly contributed to the atmosphere of distrust that escalated into war, no single theory can yet explain why the two nations embarked on such a costly and devastating course of action over such minor potential gain.

Although not a strong enough reason for war, the nakfa disputes probably curtailed the ability of Isaias and Meles to negotiate an end to the war during May and June 1998, before full-scale combat broke out and the psychology of war took hold. For its part, Ethiopia appeared genuinely shocked by the large scale of Eritrea's military response. This scale became something of a provocation to which Ethiopia felt challenged to respond.

In an interview with the South African Institute of International Affairs (SAIIA), Isaias refused to discuss the specific events of May and June 1998 that sparked the outbreak of war, but senior Eritrean officials asserted that

Ethiopia had engaged in a series of border provocations in the preceding years that were akin to quietly kicking someone under the dinner table until he finally loses his temper and lashes out. While the war was costly to Eritrea in terms of soldiers, arms purchases, property destruction and hampered development, they argue that sooner or later, Eritrea would have had to either fight Ethiopia to end the border provocations or submit to Ethiopian hegemony, which Eritrean pride would not accept.

Eritreans also note that Meles has put himself in a politically untenable position as head of an ethnically based party that is a minority in an ethnically restive nation. His weakness renders him subject to continual pressure from hardline Tigray nationalists, many of whom had hoped that victory over the previous regime would have made possible the separation of Tigray from Ethiopia. However, once in power over all of Ethiopia, the TPLF stopped discussing its own independence, and sought to diffuse nationalistic demands by Ethiopia's other key tribal groups: the traditionally dominant Amhara; the southern Oromo, who are politically less powerful but have a numerical majority in Ethiopia; and the eastern Somali population, which remains susceptible to calls to rejoin Somalia. The TPLF formula is an ethnically-based Ethiopian federation granting its ethnic regions the theoretical right to secede from Ethiopia.

With only 5–6% of the population Tigrayan, the TPLF has a weak democratic position. Although it has won elections since 1991, the TPLF does not have anything like the authority and support commanded by the PFDJ in Eritrea. While the TPLF continues to claim a commitment to democracy in Ethiopia, it actively suppresses political dissent, aggressively stifles political organisation by nationalists in other ethnic groups, and has one of the world's worst records of repression against journalists. Its ethnic-federalist system, Eritreans argue, is untenable in the long term, and has forced Meles to suppress democracy while succumbing to the militaristic demands of his core Tigray supporters. The Amhara, who are proponents of retaining a greater Ethiopia, have also accused Meles of selling out by granting Eritrea independence, which stripped Ethiopia of its traditional ports at Massawa and Assab.

In June 2000, when Eritrean forces had been driven from large swathes of Eritrean land in the war's last phase, the Amhara accusations resurfaced. Protesters called for a continuation of the war until Assab was recaptured by

Ethiopian forces. In return Eritrea claimed that the war had been a plot by Ethiopia to provoke conflict in order to retake Assab. Given that Ethiopia's armed forces were in poor condition, poorly equipped and in no way prepared for a major war, a desire to recapture Assab seems less a prime factor behind the war than a contributory one, irritating Ethiopian nationalists and supplying another reason for intransigence once the fighting had started.

## War

Ethiopian and Eritrean accounts of the precise events that led to the war differ widely. However, both sides agree that an incident took place on 6 May 1998 in Badme, two days before a joint border commission met in Addis Ababa. A small group of Eritrean military went to Badme to investigate complaints that Ethiopia was pushing Eritrean farmers out of the area. According to various accounts, Ethiopian police or militia insisted that the Eritreans disarm. A confrontation ensued and several Eritreans were killed, including at least one high-ranking officer. Eritreans who escaped the incident relayed information to the Eritrean army, which retaliated. On 12 May, a large Eritrean force, backed by tanks, seized Badme and its environs. The next day the Ethiopian Parliament passed an outraged declaration, which was tantamount to a declaration of war if Eritrea did not withdraw immediately.

At the time, diplomats conceded that although much of the fault lay with Ethiopia, Eritrea's reaction was out of all proportion to the provocation. Also, Eritrea's aggressive temperament and belief in its military superiority led it to reject early attempts to end the war.

A variety of diplomats attempted to defuse the crisis. The most notable of these were representatives of the US and Rwanda, with whom Eritrea has close relations. The US-Rwanda plan, later expanded by the Organisation of African Unity (OAU), called for a troop pullback and an international commission to determine the border between the two states. During June 1998, this plan seemed close to succeeding. Ethiopia accepted the plan but Isaias rejected it. According to some diplomats, the reason was that the plan was made public before Isaias felt he had been properly consulted. He thus felt that Susan Rice, the US negotiator, was trying to force him into a deal. One of the charges now levelled at Isaias by his internal party critics is that he ultimately accepted a peace deal practically identical to the one he rejected in

1998. More darkly, his critics argue that he opted for war to stave off multiparty democracy, which would bring challenges to his rule.

After seizing Badme, Eritrea went on to seize other disputed territories. After the initial fighting in May and June 1998, a makeshift ceasefire held for eight months while both sides re-armed. In February 1999, Ethiopia succeeded in retaking Badme. Eritrea immediately announced that it accepted the OAU peace framework that it had previously rejected. However, Ethiopia also insisted that Eritrea withdraw from other disputed territories on the central front around Zalemessa and in the east at Bure, on the road to the port of Assab. Despite its professed acceptance of the peace deal, Eritrea tried to recapture Badme in May and June 1999, both times unsuccessfully.

For a year, attempts were made to settle the war by the US, the EU, the UN, the OAU, Zimbabwe, Nigeria, Kenya and others. In May 2000, Ethiopia launched its final offensive, which broke through Eritrean lines on the western front, and forced Eritrea to pull all its western and central forces back to more defensible mountain positions to prevent its army from being outflanked and destroyed. All of southwest Eritrea was abandoned to Ethiopia. Eritrea again accepted the OAU peace plan, but Ethiopia continued to press the fight, attempting to drive east from Barentu to Mendefera and north on the central front at Senafe. If Ethiopia had succeeded in pushing past Mendefera, it would have had a clear and flat path to the Eritrean capital, without any of the steep mountains that Eritrea used to such advantage near the border.

With international fears rising that Ethiopia was attempting to conquer all of Eritrea, diplomatic pressure escalated sharply. While a flurry of diplomatic missions attempted to restrain Ethiopia, it was ultimately the stiff Eritrean defence and its formidable mountains that ended the war. In the battles for Mendefera and Senafe, Ethiopia lost thousands of soldiers while attempting to attack up the steep escarpments of the Eritrean highlands. Those battles resulted in the realisation by Ethiopia's leaders that they could not hope to conquer Eritrea without a repeat of the scale and duration of war that Eritrea fought against Mengistu. In essence the peace was the result of a new balance of necessity and power between the two nations, rather than the outcome of any diplomatic intervention.

The tension created by the launch of the *nakfa* and various border incidents contributed to the inability of either nation to end the conflict before it grew into full-scale war. Another contributing factor was the reliance of both Isaias and Meles on their personal relations for state-to-state dialogue. Rather than develop appropriate foreign ministry mechanisms for inter-state relations, the two relied on personal phone calls. However, once serious disagreement erupted between the two leaders, the dialogue ended. The peculiarities of their personalities played an unfortunately large role, as both men maintained very defiant (and some critics say arrogant) postures focused on petty principle rather than the pragmatic desire to prevent unnecessary expense and loss of life. Indeed, in dealing with diplomatic interventions and other states, both governments sought to force others into accepting that the other combatant was wholly to blame. Anything less was perceived as hostility.

## The peacekeeping period

Ethiopia halted conflict and signed a preliminary peace deal on 18 June 2000. The final peace agreement, signed on 12 December 2000, called for international peacekeepers to patrol a 25-kilometre buffer zone extending north from the Eritrean border. It also called for an international panel to delineate the border between the two countries. Within a month the UN, desperate for a peacekeeping success in Africa, had deployed 4,500 troops to the area.

Deployment of UN forces was generally smooth and efficient, although both Eritrea and Ethiopia disputed what ought to be the southern boundary of the buffer zone. Although the peace agreement that ushered in the UN clearly stipulated that the peacekeeping zone would not prejudice the decisions of the boundary commission, both sides wrangled intensively over the definition of the southern border.

UN forces have helped restore normality by rebuilding destroyed bridges and beginning the difficult task of removing the many landmines planted during the war. Eritrean forces have consistently denied UN forces free movement outside the temporary security zone, even though the peace agreement stipulated the UN would be free to move anywhere in either country. UN political figures attribute this to an Eritrean feeling that their sovereignty is



being stepped on, and that it is therefore necessary for the Eritreans to make the point that the UN will be kept on a tight leash.

The boundary commission announced its findings in April 2002. Both countries hailed the border ruling as a victory for them. While the Commission has delimited the boundary it still has to be demarcated on the ground. Both sides unequivocally and publicly accepted the commission's findings, which appear to largely cede the key disputed sections to Ethiopia. Regardless of the detail, the existence of an internationally recognised border is crucial to Eritrea, which argued that the previous ambiguity allowed Ethiopia to engage in provocations.

Despite hopes that the settlement would lead to normalised relations, bitter rhetoric has continued from both nations, continuing a pattern of acrimony. Throughout 2001 tensions remained high, with both sides periodically levelling accusations that the other was moving troops or otherwise preparing not to abide by the ruling. The UN secretary-general, Kofi Annan, warned in December 2001 that tensions were rising 'considerably'. He urged restraint, pointedly observed that there was no evidence of either side building up military forces, and cautioned that the absence of mutual confidence 'leaves the relationship between the two countries in a potentially volatile situation.'<sup>3</sup>

It is unclear what the UN will do following the ruling. Pressure to cut costs, always a factor at the UN, will militate for a quick withdrawal. But a quick exit before tempers have calmed could spell further border trouble. Hardline Tigray nationalists have continued to accuse Ethiopian Prime Minister Meles of betrayal in not taking a harder stance during the peace talks. Some argue for rejecting border findings that go against Ethiopian claims. Others argue for war and the conquest of Assab. Meles remains firmly in control, but will continue to face such pressures, which limit his ability to make peace overtures toward Eritrea.

Nearly a year after the war's end, Eritrea told the public for the first time the extent of Eritrean casualties. In a May 2001 speech, Isaias said 19,000 soldiers had been killed during the conflict. No figures for the wounded or the

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<sup>3</sup> 'Eritrea-Ethiopia: Tension rising ahead of border decision', 19 December 2001, <http://www.irinnews.org>.

permanently disabled were provided, and limited access to combat zones during the war made assessments of the number of dead or wounded impossible.

Nearly everyone agrees that the UN mission has gone well and that the peace plan appears set to hold, as neither Eritrea nor Ethiopia can afford another war. However, the issues propelling the conflict have not really been settled. Animosity between the Eritrean and Ethiopian leaders remains deep, and politically neither side can afford to be seen to be backing down. Eritrea continues to fear that the Ethiopians were intent on provoking the war to reclaim the port at Assab. They reason that Ethiopia's desire is unfulfilled, and may return if the chance presents itself.

## **Economics, investment and recovery**

Although the EPLF was heavily influenced by Marxist thought in its early days, the collapse of the Soviet Union led to a pragmatic reorientation of economic policy. After independence, the national leadership adopted plans for a mixed, liberal economy including 'in principle' plans to welcome foreign investment, free repatriation of earnings by foreign companies and the privatisation of state-owned businesses.

Eritrea does not maintain national economic statistics sufficient to produce reliable growth figures, but the government and World Bank estimate that it grew at a healthy 7-8% from 1991 to 1997. Growth fell to about 4% in 1998 and 1% in 1999 and then dropped by an estimated 10% in 2000.

Although the war's effects hardly show in the capital, it exacted huge financial costs. Undisclosed amounts, estimated to run into hundreds of millions of US dollars, were spent on arms. Previously debt-free, Eritrea is taking on significant World Bank loans to help it recover from the war. It is also likely to re-arm out of fear of renewed war with Ethiopia.

Out of a population of 3.5 million, Eritrea fielded between 200,000 and 300,000 soldiers in the war against Ethiopia. Conscription removed vast numbers of skilled workers from factories, farms and businesses, contributing significantly to the economic downturn.

The World Bank and other donors have assembled a \$287 million recovery loan for Eritrea, which includes about \$80 million for training and payouts for demobilised soldiers. In practical terms, the government has been uncertain as to how to use demobilisation money to best effect. Most of the rest of the loan is to be spent on the reconstruction of bridges and roads, de-mining, and aid to people displaced by the war. At the height of combat, a third of Eritreans were driven from their homes. The war and the drought that occurred over the same period mean that nearly 1.7 million people will require food aid well into 2002.

The political crackdown on government opponents has delayed the release of the funds, and may result in the ultimate cancellation of portions not directly considered by donors as necessary to keep the peace. Diplomatically there have not been significant moves to end the tension between the EU and the Eritrean government.

The territory captured by Ethiopia, and now in the temporary security zone, historically produced some 70% of Eritrea's food. Ethiopian troops looted livestock and farm equipment and destroyed many bridges, barns, wells, a cotton factory and other productive assets as they withdrew. This plundering collectively represented a major economic setback for Eritrea beyond the military costs of the war. Disputes over the southern boundary of the security zone and de-mining also delayed the return of rural farmers to their land in many places until after the planting season in 2001, thus extending the period of aid dependency for Eritrea.

Despite a commendable desire to solve its own problems and not become dependent on aid, Eritrea has had difficulty modernising its industry and creating jobs. This was true before the war, but the pressure to meet this challenge has grown because of the war. Previously, the liberation fighters had overwhelming moral authority and no one questioned them. Now a whole new generation of young men and women have combat experience, and feel as a result that they have a right to a job and a say in the running of the country. Hence, how demobilisation is handled is key to successful rebuilding, both in economic and political terms.

Demobilisation will bring much-needed manpower back into the labour market, but it is unlikely to restore the nation's former economic position. The

war ended Ethiopian use of the Assab port, for which it paid fees amounting to a fifth of the Eritrean national budget. An estimated 60–80% of Eritrean exports had been sold to Ethiopia before the war. Eritrea had also profited from processing and exporting Ethiopian raw materials and produce, such as coffee. Eritrea's manufactured exports—leather goods, shoes, knitted jerseys and clothing—are generally not up to the standards demanded by the European or Gulf markets, which means the country will have difficulty reviving exports. Although the fighting has stopped, politically Ethiopia and Eritrea seem destined to maintain a cold war and complete economic separation for the foreseeable future.

Despite the extent of the combat, the loss of the Ethiopian market, and the large sums spent on arms, the Eritrean economy survived the war remarkably well, with only modest inflation and depreciation of the nakfa against foreign currencies. In 1998, the nakfa traded at around eight to the US dollar. It remained relatively stable on the parallel market until the height of fighting in June 2000, when it declined to 18, before recovering to around 13 in early 2001.

The main reason for this fiscal stability is the significant remittances sent home by Eritreans working abroad. These take the form of payments to families and taxes and donations to the government, and have averaged \$300 million a year out of a total GDP of about \$750 million.

## **Economic prospects**

The government is looking for outside investors on a range of large projects. Throughout the war, Eritrea continued to fund the expansion of its electricity grid, roads, the repair of railroads and the construction of an international airport at Massawa, its second city and main port. The main focus of its economic recovery programme will be to continue to expand and to rebuild infrastructure. The government is actively looking for external partners to refurbish and manage the Soviet-built oil refinery at Assab. It is also seeking assistance in managing and/or rebuilding the war-damaged Assab port and restoring the colonial-era narrow gauge rail line from Massawa to the capital, Asmara. The telephone system has been significantly upgraded, and plans are under way to solicit bids for the establishment of a cellular telephone system.

Asmara has seen a modest construction boom in the last few years, with the construction of the city's first international hotel, several modern private hotels and a vast Korean-built apartment complex intended to help meet the country's chronic housing shortage.

American oil companies recently signed exploration deals for Eritrea's Red Sea coast. However, earlier exploration efforts did not succeed. Conscious that its defiantly isolationist attitude in the war against Ethiopia has left it with few friends, Eritrea has held several meetings with top American military officers regarding the possible American use of Assab as a naval refuelling port.

Eritrea's most promising export prospects are its many small producers of wool jerseys, leather goods—purses, belts, shoes—textiles and clothing. Several vertically integrated spinning, weaving and sewing operations exist, and several have been on offer for privatisation for several years.

Eritrea is pushing ahead with a variety of plans to exploit its long Red Sea coast. An international runway at Massawa has been completed and work is under way to develop the cold storage and packaging facilities needed for fresh and frozen fish exports to Europe and the Far East to capitalise on the country's fishing potential. An American environmental scientist, in partnership with the Eritrean government, is building an innovative 1,000 hectare aquaculture farm at Massawa. The project is well advanced and is one of several planned. It grows shrimp in tanks, directs the waste water laden with shrimp food into ponds and canals for growing tilapia fish, and then pumps the remaining water out to desert plots that grow salicornia, a salt-water tolerant plant producing oil and flour.

Eritrea offers spectacular Red Sea scuba diving around the Dhalak archipelago, but has only very rudimentary facilities, limited scuba gear for rent, and few scuba guides and boats to reach the dive sites. The war effectively destroyed a major investment proposal to develop a resort on Dhalak aimed at luring the wealthy from the non-drinking, non-gambling Gulf states. However, a clear niche market exists for diving enthusiasts because of the reefs and also the impressive assortment of easily accessible ship wrecks, some sunk by the Italians to prevent British capture in the Second World War, and many sunk during the war against the Derg.

Eritrea has experimented with Israeli-style desert drip irrigation for the production of vegetables and flowers. However, one of the main government-run projects has failed to acquire sufficient technical proficiency, and has therefore not succeeded in producing export-quality products.

Eritrea produces less food than it consumes, a shortcoming it can overcome through the remittances it receives and the development of a more export-oriented manufacturing economy.

*On the positive side, Eritrea has a strong work ethic, very little crime, no violence and a core of sophisticated entrepreneurs who are connected to a worldwide network of Eritrean expatriates, many of whom have accumulated significant technical and entrepreneurial experience during their years abroad. While Eritrea still faces domestic shortages of technical skills and of managers familiar with modern methods, it has embarked on an ambitious programme to train up to 1,000 students in South African universities to supplement the University of Asmara's more limited range of offerings.*

## **The crossover between politics and economics**

Determined not to permit the growth of a psychology of aid dependency, in the early years of independence the Eritrean government suppressed public begging and insisted that external food aid be delivered on a work-for-food basis.

Soon after independence in 1993, the government found itself in conflict with international non-governmental organisations and UN aid groups. It demanded that it set its own development priorities and that it control when and where projects were conducted. It also tried to assert that if aid groups were going to advertise that they had donated certain amounts to the poor, that money should go directly to useful programmes and not into huge overhead budgets.

While those issues have been settled—largely because the war with Ethiopia injected a dose of enforced humility—the government's aggressive mindset remains powerful. The government, banks and parastatals are all staffed with fighters, as the veterans are called. Many businesses complain that the fighters in the middle levels of the bureaucracy are poorly educated, deeply suspicious

of new ideas, and know little about the ways of business, but continue to demonstrate the pride and self-reliance earned on the battlefield. Some business people describe Eritreans as 'control freaks'. As one businessman put it, 'The worst thing to do with many fighters is to hint that you know something he does not. So you skirt around issues without coming right out and offering blunt advice.'

A joint venture between the government and an Israeli agriculture specialist to produce flowers for export is illustrative of the same mix of destructive pride and stubbornness that blocked efforts to end the border war. After a promising start, pride, jealousy and mismanagement by government agriculture bureaucrats, who thought they could run the project alone, helped ruin the effort. Unwilling to buy the Israeli out directly, bureaucrats attempted to squeeze him out, first accusing him of failing to pay severance to a worker, and then accusing him of embezzlement (without evidence). He was barred from the project, blocked from leaving the country and refused the return of his financial investment, while a government-appointed auditor took two years to conclude that nothing was amiss. During that time, government replaced his staff. Within months, the drip irrigation system had become irreparably clogged, and insects and plant diseases had been permitted to ruin the plant stock.

Isaias agreed to meet the Israeli investor to sort out the matter after World Bank intervention, but Isaias's powerful chief assistant blocked the meeting. Eventually a court vindicated the Israeli, but there were no proper standards of due process or requirements that proper evidence be produced before accusations were levelled against him. Essentially, pride destroyed a valuable export project, and pride prevented its restoration once problems had set in.

Investors note that Eritrea has blocked or delayed not only foreign investors but also Eritrean nationals wanting to return. Many Eritreans fled during the liberation war, and acquired both skills and wealth elsewhere. Although their remittances paid for the liberation struggle and kept Eritrea alive from 1998–2000, the fighters feel a degree of resentment toward them.

The country lacks a proper body of commercial law and commercial courts. A number of corruption cases have been tried in what are known as special courts. These are of questionable constitutional standing, are appointed by

Isaias, operate outside the normal courts and are not subject to appeal. The same autocratic rule exists in the political realm, where critics and journalists have frequently been arrested and held for months without being charged or tried. This was one of the key charges in the open letter of 2001.

However, the country has some very good ministers and influential people capable of recognising Eritrea's limitations, notably Isaias's top economic adviser, Woldai Futur. The drive to send students to South Africa is part of that recognition. It is important to note that many development projects have collapsed after the leadership gave them approval because the middle-level bureaucrats caused complications during implementation.

Eritrea has also been plagued by a number of hucksters, some from South Africa, who have attempted to win exclusive concessions without any financial backing, and then resell the concessions. Others have tried to dupe Eritrea into depositing up-front money, all of which contributes to the suspicion felt by Eritreans of business in general. During the struggle, Marxist ideology was strong. Although it was officially abandoned in favour of a market economy approach, scepticism remains a strong force when it seems a new deal is going to make the business applicant rich. Consequently, it is advisable to convince Eritreans of one's goodwill above all else.

Another key complication that has limited foreign investment is the PFDJ's business holdings. Initially concerned that basic commodities should remain available at affordable prices, the party took over some basic businesses, as well as those that had been run by the previous Ethiopian government. Over time those party business holdings have expanded to the point where the PFDJ is the major player in many fields. The open letter complained that the promised accounting of the party's profits and auditing of operations has not occurred. Businesses, they charge, are run as personal fiefdoms and, while corruption has surfaced in only a few instances, party business interests have effectively defeated national interests by keeping out foreign investment that is considered to be a competitive threat. Accusations have been levelled that investors are forced to submit business plans to government and, in some instances, the plans are copied by party-controlled businesses while the investors' projects are delayed or denied approval.



The anti-Isaias open letter said that the party businesses 'have become vengeful enemies of and negative examples for private businesses instead of encouraging them through fair competition and partnership.'

In an interview with SAIIA, the head of a major international aid agency explained: 'What is on paper is that government welcomes foreign investment is all fine. But it is an abstraction. It is not translated into the daily behaviour of people.'

The draft political parties bill, which Isaias has blocked, would have required parties to divest themselves of business interests. How significant this factor is in Isaias's opposition to the bill is unclear, but promulgation of the bill would require major economic change and would seriously weaken the party's financial strength. It would need considerable funds to contest competitive elections.

Futur acknowledges the seriousness of the issue of party business ownership, and the major problem the government has in dealing with foreign investors. 'We are frustrated by a bureaucracy not responsive to the needs of investors,' he said in an interview with SAIIA.

## **Opposition to one-man rule**

There are no organised political parties or even genuine ideological differences over policy in Eritrea. However, political power is increasingly concentrated in the person of Isaias Afewerki, a trend which accelerated as a result of the war. Political opposition is growing over his unwillingness both to relinquish control of the country and to conform to party and constitutional rules.

The criticisms of him include accusations that he mismanaged the conflict with Ethiopia, allowed his arrogance to derail peace at great cost to the country, and—most damning but impossible to prove—that he entered into the war precisely to rally the nation behind him and delay calls for political pluralism. In part the complaint of the open letter derives from Isaias's arrogant, and critics say, insulting handling of requests for meetings. The open letter signatories consider the PFDJ to be just as much theirs as it is Isaias's, and they want to reform and normalise its operations rather than

overturn it or challenge it as members of an opposition grouping. A modest dose of diplomacy could have diffused the crisis, but Isaias remains unwilling to bend.

Religious and tribal issues have, with some cause, made the party reluctant to accept political pluralism, which in turn supports Isaias's hesitation about the political parties bill.

Since independence Islamic rebels, operating out of Sudan, have undertaken sporadic but militarily insignificant attacks against Eritrea. While unable to mount a meaningful challenge at present, Islamic-based opposition could gather force in a pluralist system, given that Muslims represent roughly half of the Eritrean population. However, the political parties bill would prevent religious, tribal or regionally-based political parties by requiring that no more than one-third of any party's leadership can belong to any one religion or tribe.

However, the present intra-party rebellion is a potentially significant rallying point for meaningful opposition. The key players are not on the political fringe: rather, they command widespread respect for their military roles in the independence war. They include several former ministers, key central committee members, and senior former generals. The list includes the cabinet's two most competent members: minister of trade and industry and a former minister of foreign affairs, Haile Woldentensae; and Petros Solomon, also a former minister of foreign affairs and more recently the minister of fisheries. As one of two senior EPLF generals, Solomon led the bloody tank and artillery battle for Massawa, which was then the port upon which Ethiopia was most dependent. Other signatories of the open letter are Mahmud Sherifo, former minister of local government, and Mesfin Hagos, a popular army general.

The open letter is also politically stunning to a system in which it is taken for granted that criticism and party dirty laundry are not aired in public. In devastating fashion, the lengthy open letter<sup>4</sup> explains in detail the weakness in Eritrea's system. Rather than relying on constitutional principle, Eritrea's governing structures remain based largely on wartime trust between fighters

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<sup>4</sup> Posted on <http://www.asmarino.com>. See news archives, Open Letter, May 2001.

and are thus informal. Oversight of the executive, through the party leadership structures and National Assembly, is defined in the party and national constitutions but has been allowed to lapse because of the immense respect Isaias has enjoyed and the deep trust between him and the wartime commanders who fill the party's top posts. As long as members of the party all agreed, there were no problems. But trust has worn thin and *disagreements have grown more numerous. Since independence, the PFDJ has followed liberation-era practice and has kept disputes strictly out of the public eye. After months of quiet battle behind the scenes the dissenting party members publicly released the scathing 13-page letter at the end of May 2000, together with an extraordinary collection of correspondence between the group and President Isaias that had led to the publication of the letter.*

The group had written to Isaias several times, requesting that he convene a meeting of the party central council, which should meet quarterly. Isaias's reply each time was a curt: 'You are making a mistake.' (See text boxes below.) The final straw was a threatening, arrogant missive from Isaias. Unable to secure meetings of any of the bodies established to oversee Isaias, the group went public. 'The President is conducting himself in an illegal and unconstitutional manner, is refusing to consult, and the legislative and executive bodies have not performed their oversight functions properly', the group wrote in its open letter.

*Date : 20.02.2001*

*To : The Honourable Isaias Afewerki*

*From : Chairman of Central and National Councils*

*The date for the regular meetings of the Central and National Councils have passed, and in addition, there are issues (situations) that call for an emergency meeting. We, the undersigned members of the Central and National Councils, thus request that you convene the meetings shortly.*

Date : 12.03.2001

To : Sherifo (Mahmud, minister of local government)

From : President Afewerki

*This morning you sent me a letter with signatures. If it is for my information, I have seen it. In general, I only want to say that you all are making a mistake.*

Date : 13.03.2001

To : Mahmud Sherifo

From : The Office of the President, the State of Eritrea

*Again today you have sent me another letter. I have seen it. I repeat, you are making a mistake.*

Date : 20.03.2001

To : The Honourable Isaias Afewerki, President of the State of Eritrea

Subject: Request for meeting of the Central Council and National Council

*Those members of the Central Council and National Council who previously sent a request for meetings of the Central Council and the National Council accompanied with their signatures, are not satisfied with your response of: 'You are making a mistake'. We say there are problems that should be solved in meetings, and steps that need to be taken urgently to guarantee a democratic transition to a constitutional order. Now again, we ask you to convene the meetings, whose mandatory regular dates have already passed, within the month of March. ...*

*Victory to the Masses!*

*Those members of the Central and National Councils who previously sent a signed request.*

Date : 29.03.2001  
To : M Sherifo  
From : P Isaias  
Time : 10:50  
N. I. : A290301.RTF.

*I have, this morning, received and seen the letter you sent, dated 20/3/2001, in the name of those members of Central Council who had previously signed a request. I do not want to go into its false and baseless content and say anything. Because I have chosen to be tolerant, I will patiently avoid any invitation to an argument. But if by continuous provocation, you want to escalate problems by exaggerating non-existent issues, it is your choice. Again I ask you to refrain from this mistaken path and come to your senses.*

The list of Isaias's alleged transgressions against the Constitution is long and detailed, and raises serious questions about the way in which the nation is being governed. For example, Isaias developed a system known as *Mdiskal* or 'freezing', where officials who disagreed with him continued to receive a salary but were prevented from doing any government work, sometimes for years. He refused to permit the required meetings of the party executive committee, its central council, the National Assembly and the cabinet, which has not met in 14 months. Ministerial appointees have not been submitted for the required National Assembly approval since 1994. According to the open letter, in eight years, Isaias has not submitted a national budget to the National Assembly, or published spending figures.

The accusations caused a furore in Eritrea, in part because of the stature of the accusers. The Eritrean ambassador to Sweden, Norway and Finland, Hebrat Berhe, resigned to protest Isaias's rule in July 2001. In a statement she said her convictions had brought her into constant confrontation over misgovernance with the government of the PFDJ. She accused the PFDJ of trying to 'block the aspirations of the people to democratic transition, to institutionalisation, the establishment of the rule of law and the holding of multiparty elections.' The ambassador said: 'There was no common language between what I stand for on the one hand and what is practised by the PFDJ-led government on the other.' As a result, she announced that she had resigned from 'the

government that doesn't represent the will of the people', and renounced her membership of the PFDJ.<sup>5</sup>

The Constitution was ratified in 1997, but opinions vary as to whether it has any force until the elections are held and the new National Assembly is installed. In practice, the special courts, presided over by fighters (rather than trained lawyers) and the president, show little regard for its principles.

The urgency of the crisis has been increased both by the war and the National Assembly elections, originally scheduled for December 2001. The Constitution requires that Eritrea put in place legislation regulating multiple political parties—none are permitted yet—and set rules for the conduct of elections. Isaias has delayed the enabling legislation for years.

When the National Assembly finally met in February 2002, it supported Isaias's accusations against the letter's signatories, and postponed the legislation permitting other political parties. For the first time ever, the Assembly passed a formal national budget and reported its details in the press. Ironically, the meeting of the Assembly and the passing of a budget had been two of the dissidents' principal demands yet they were charged with treason. Isaias presented a report to the Assembly that noted 'that a few former government and Front [PFDJ] officials had committed treason by abandoning the very values and principles the Eritrean people fought for.' It accused the signatories of 'putting their own interests before the interests of the country and the people, by becoming involved in corruption, by panicking at a tough time [during the war with Ethiopia] and by bowing to foreigners.'<sup>6</sup>

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<sup>5</sup> Integrated Regional Information Network (IRIN), 20 July 2001.

<sup>6</sup> UN Integrated Regional Information Network (IRIN) news service, 4 February 2002.

However, the National Assembly resolved that:

Taking into consideration the opinions of the people [and]... notwithstanding the fact that, in principle, the formation of political parties is acceptable and constitutional, the issue, should however be postponed for the time being.

The Assembly also took a hard line on the media, accusing it of succumbing to 'interference from the capitulationists [dissidents]' and therefore having 'discarded its independence, freedom and responsibility'. The press crackdown came after journalists had published detailed accounts of a case in which university students had been detained and forced to participate in a mandatory work programme. The president of the student council had protested over the work programme conditions, and asked to be allowed consultations with the students. He was arrested. When fellow students protested his arrest, some 400 were taken away to join the work programme. Previously critical journalists were abruptly forced into national service, a move widely seen as an attempt to silence them.

'The government is trying to stamp out all criticism of its disastrous war policies', said Suliman Baldo, senior researcher in the Africa Division of Human Rights Watch in a statement last year. 'The situation is growing sharply worse.'<sup>7</sup>

There is 'no effective mechanism for questioning, much less challenging, government policy and operations', the group said. It accused the president of 'governing by proclamation, unrestrained by a transitional National Assembly that meets infrequently.'

In February, Denmark reacted to the situation by announcing an immediate cut in aid from \$12 million to \$7 million, and plans to end aid entirely after 2005. 'In spite of considerable pressure from Denmark and the other EU member states, the government of Eritrea has not halted a development

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<sup>7</sup> 21 September 2001. See <http://www.hrw.org/press/2001/09/eritrea0921.htm>.

marked by assaults on democratic principles and human rights,' the Danish statement said.<sup>8</sup>

So far the National Assembly has consisted of half elected members and half national members selected by the party. The president is chosen by the Assembly. The Assembly decisions in February open the way for new Assembly elections, but no date has yet been set. In the event of new elections, Isaias's standing with rural voters, who have little access to news, remains very strong, in spite of doubts over the conduct of the war. As a result, the dissidents arguably had very little chance of unseating him, even if they had significant ability to embarrass him in the cities and among the diaspora via Eritrea-specific Internet sites.

At one level, the dispute with the dissidents appears a minor, largely personality-driven episode that could have been overcome with a bit of diplomacy and a few concessions by Isaias. However, as the war with Ethiopia demonstrated, minor episodes have a history of exploding into bitter grudges. In the long term, it is unclear how or if Eritrea under Isaias will move to embrace multiparty democracy, given his intolerance of criticism and his willingness to use extra-constitutional methods to suppress opponents. The inevitable pressure for reform will, in turn, aggravate the trend to make loyalty to Isaias, rather than competence, the criterion for participation in cabinet and the holding of key government jobs. Already this is manifest in the weakening of the Eritrean bureaucracy, as effective but outspoken party members are replaced with the loyal and docile.

The large and affluent Eritrean diaspora is another key political factor. The state was heavily dependent on Eritreans living abroad to fund the war, and remains dependent on them for ordinary government spending. However, their financial contribution has not yet translated into political influence. Isaias has dismissed complaints from Eritrean intellectuals based outside the country. Some expatriates charge that they are hostage to taxes, because their return to Eritrea to visit family will be blocked if their contributions to the state are not paid.

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<sup>8</sup> IRIN, 1 February 2002.



Despite the sensational notion of cogent, highly public criticism being levelled at Isaias through the open letter, there seems little prospect of political instability or protest actually threatening his rule. There is a general sense that the government has lost direction and will continue to drift, as it focuses on its own position rather than on core development issues.

## Strategic questions

The war has broad implications for inter-state relations throughout the region. In part Eritrea and Ethiopia used international relations as alternative means to continue their rivalry. Eritrea, which maintained a defiantly independent foreign policy and made few friends in the OAU during the war, found itself without major allies or influence when it came to negotiating a peace deal. That in turn has led Eritrea toward a re-evaluation of its strategic relations.

The war between Ethiopia and Eritrea, although concluded, is likely to affect other conflicts in the region, such as the southern Sudanese battle for independence. To destabilise Ethiopia, Eritrea helped to arm members of the Oromo ethnic group, which has a numerical majority in Ethiopia but has traditionally been marginalised in politics. Similarly, Eritrea helped support certain Somali factions, whose substantial numbers inside Ethiopia led to several clashes between Ethiopia and Somalia in the past. In turn, Ethiopia has taken an aggressive posture toward Somalia, both by making its own armed incursions and by arming factions aligned against the transitional government, which is attempting to assert its authority and restore central government to Somalia.

Traditionally, Eritrea has had close co-operation with Israel, but it has recently shifted its allegiance toward the Arab world to bolster its international position. Eritrea has established warmer relations with Libya, and aims to join the Arab League. At the same time, American generals and top diplomats have been to Asmara for several rounds of talks concerning a possible US navy refuelling facility at Assab, which Eritrea hopes will commit America to its interests and help discourage future Ethiopian aggression.

At his confirmation hearings in the US Senate, Donald McConnell, a career diplomat and US ambassador to Eritrea, said of the emerging dissent against

Isaias: 'This reflects the necessity for the government and entire structure of the regime in Eritrea to move from the central control of one person, the president, to a more democratic process.' McConnell also told the committee that, if confirmed as ambassador, he would do everything in his power to ensure that the Eritrean government implemented its public commitments to holding elections at the end of the year and to power-sharing.<sup>9</sup>

Eritrea historical timeline	
Mid-1500s	Eritrean coastal plain falls under Ottoman control.
1820s	Egypt replaces the Ottomans in controlling part of the coastal plain.
1865	A small concession near the port of Assab is established as the first point of Italian control.
1875-76	The Tigray Ethiopian emperor defeats two Egyptian efforts to seize the Eritrean central highlands.
1885	With British urging Italy claims Massawa port to keep a check on French Djibouti.
1889	Italian control is extended to much of Eritrea.
1935	Italy conquers Ethiopia.
1941	Italian control is ended by British forces in the Second World War.
1940-52	British military administration allows political parties and institutes the first broadly available public education.
1952	Under US pressure, a UN agreement federates Eritrea and Ethiopia.
1961	The first armed struggle against Ethiopian rule is begun by the ELF.

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<sup>9</sup> *Indian Ocean Newsletter*, 28 July 2001.

Eritrea historical timeline (continued)	
1962	The federal autonomy promised to Eritrea is formally abrogated and Eritrea is made a province of Ethiopia.
Early 1970s	The EPLF is formed.
1974	Ethiopian emperor Haile Selassie is ousted in a coup by hardline Marxists under Colonel Mengistu Haile Mariam, in part over discontent with the conduct of the war against Eritrean rebels. US backing of Selassie is replaced by Soviet backing of Mengistu.
1975	Armed resistance inside Ethiopia begins with formation of the TPLF, which gets training and aid from the EPLF.
1976	The TPLF manifesto proclaims the goal of establishing a greater Tigray including all Tigray speakers, even though a significant part of Eritrea is populated by ethnic Tigrayans.
1981	The civil war between the Islamic ELF and the non-religious EPLF is won decisively by the EPLF. The ELF is driven into Sudan and ceases to be a major force.
Mid-1980s	The TPLF and the EPLF openly exchange insults over doctrinal disputes.
1985	Bitterness grows at the height of famine as the EPLF seeks to teach the TPLF a lesson by blocking the road that provides access to its food sources in Sudan.
April 1988	Reconciliation talks in Sudan bring a new accord between the EPLF and the TPLF.
May 1991	Eritrean liberation forces capture the capital, Asmara, and <i>de facto</i> independence begins.
1990-92	120,000 Ethiopians are forced to leave Eritrea without their property. Most are former soldiers but many are dependents and wives, including Eritreans.

Eritrea historical timeline (continued)	
1992	An agreement is signed giving Ethiopia joint use of the Red Sea ports of Assab and Massawa. A border commission is established to deal with border disputes.
April 1993	A UN-sponsored referendum on independence passes with 99.8% of the public endorsing independence from Ethiopia. Ethiopia recognises the result.
1994	Sudan and Eritrea trade accusations that the other is training anti-government rebels. Eritrea severs diplomatic relations, and hosts the first of several conferences of rebels aligned against the Sudanese government.
1995	Commandos of the Eritrean Islamic Jihad attack Eritrea in the Barka province.
November 1995	Eritrea invades and captures the Hanish Islands following Yemen, which also claims the islands. Ethiopia lends Eritrea air defence equipment that Eritrea later uses in the war against Ethiopia.
Early 1997	Eritrea notifies Ethiopia of its plans to launch its currency, the nakfa, and forwards suggestions for the conduct of trade relations, including free convertibility at a one-to-one exchange rate.
Early 1997	The Regional Education Board of Tigray prints a new map of the Tigray province, showing significant disputed territories as part of Tigray province, causing Eritrean protests.
April 1997	French mediation over the Hanish Islands results in the appointment of an international arbitration panel.
July 1997	Details of the phased introduction of the nakfa are made public.

Eritrea historical timeline (continued)	
August 1997	A dispute erupts over the agriculturally fertile Bada border region. Eritrea claims it allowed Ethiopian troops to enter in pursuit of Afar rebels, but the Ethiopians do not leave and begin setting up administration. The Eritrean president writes three letters asking for their withdrawal, and for a joint border commission. Ethiopia claims the commission is its idea.
October 1997	After months of silence, Ethiopia redesigns and re-issues its currency, the birr, unilaterally rejects Eritrean proposals for free exchange of currencies and declares all trade must be in hard currencies.
13 November 1997	The first meeting of the border commission is held in the Eritrean capital.
December 1997	The introduction of the nakfa is complete. A backlog of trade builds up, and animosity over the currency change is voiced in both countries. Ethiopia accuses Eritrea of trying to industrialise at its expense. Eritrea accuses Ethiopia of expansionist plans, based on the contours of the miniature map on the new Ethiopian currency. Eritrea blocks trade with Ethiopia out of anger over the currency dispute.
6 May 1998	Several Eritrean officers are killed after going to investigate claims by Eritreans that Ethiopia has imposed control around the western town of Badme. Ethiopian troops insist that the Eritreans disarm before entering the town for talks. A shootout erupts. It is unclear who shot first.
7 May 1998	An Eritrean delegation departs for a border commission meeting in Addis Ababa on 8 May.

Eritrea historical timeline (continued)	
8 May 1998	The border commission meeting goes well, according to both sides. Ethiopia claims that both sides agreed to meet again on 9 May, but the next day discovered that the Eritreans had departed.
9–11 May 1998	Three days of intensive telephone discussions between senior leaders prove fruitless. The Ethiopian prime minister is told he cannot speak to the Eritrean president, who is in Saudi Arabia on a state visit.
12 May 1998	Eritrean troops backed by tanks capture the disputed town of Badme and its environs.
13 May 1998	The Ethiopian Parliament condemns Eritrean 'aggression' and Ethiopia sends troops to the border.
June 1998	Fighting, including air attacks, escalates. US president, Bill Clinton, brokers a halt to air attacks, which is announced on 15 June. From 11 June an uneasy ceasefire holds, punctuated by some shelling.
October 1998	The international panel rules that the Hanish Islands belong to Yemen because Yemen had introduced some form of local administrative control. Eritrea cedes control but fears that the same logic applied to its dispute with Ethiopia will mean the loss of border areas, despite colonial treaty boundaries.
6 February 1999	The eight-month lull in fighting ends with five days of intense fighting around Badme.
11 February 1999	The UN Security Council calls for an immediate ceasefire, but both combatants demand that the UN condemn the other as the party to blame for the conflict.
23 February 1999	Ethiopia launches a more intense assault across a 60 kilometre front.

Eritrea historical timeline (continued)	
26 February 1999	Eritrea acknowledges that human wave attacks have overwhelmed its lines. Eritrea pulls back 20 kilometres to new positions, leaving Badme in Ethiopian hands.
27 February 1999	The Eritrean president, Isaias Afewerki, formally accepts the OAU peace framework. Ethiopia refuses to accept that Eritrea has complied by withdrawing from 'Badme and its environs', as stipulated by the OAU. Ethiopia argues that Eritrea must withdraw from all disputed zones.
May-June 1999	Eritrea makes two major efforts to retake Badme but fails. There is intermittent bombing and shelling on three main fronts.
Late 1999	Eritrea establishes full diplomatic relations with Sudan to head off a Sudan-Ethiopia rapprochement that would permit Ethiopia to attack Eritrea from Sudanese soil. Sudanese rebels are forced to leave the former Sudan embassy in Eritrea.
12 May 2000	A new Ethiopian offensive starts, marking the third major wave of the war.
18 May 2000	While Eritrea maintains the bulk of its forces on the central front, Ethiopia opts for an end-run strategy. It breaks through on the western front, captures Barentu, deep in Eritrea, and forces Eritrea to cede the entire southwest. As Ethiopia advances from Barentu to Mendefera, fear of being outflanked forces Eritrea to abandon its central front positions to positions in more mountainous country.
24 May 2000	Eritrea abandons Zalembeessa and Isaias issues orders to withdraw from all disputed lands including the eastern Bure front. However, Ethiopia refuses to stop, and advances further on the central and eastern fronts.

Eritrea historical timeline (continued)	
29 May 2000	Isaias orders all fronts to withdraw a further 30 kilometres, effectively capitulating to Ethiopian demands of withdrawal before ceasefire.
30 May 2000	Ethiopia announces its withdrawal from western Eritrea, but fighting continues on the central front at Senafe and the eastern front at Bure.
1 June 2000	Ethiopia, having militarily won its demand for Eritrean withdrawal, ups the ante by demanding international guarantees before leaving Eritrean soil.
18 June 2000	An interim peace accord is signed by Eritrea and Ethiopia.
12 December 2000	A final peace treaty is signed by Ethiopia and Eritrea. The UN begins the rapid deployment of 4,200 peacekeeping troops to patrol a 25 kilometre temporary security zone inside Eritrea.
2001	Tensions remain high. Both sides accuse each other of building up military forces.
April 2002	The Boundary Commission announces its findings.



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