

# Political nongovernmental organizations (NGOs) and governmental companies in Ethiopia

*Political roles of local NGOs and governmental companies under the ownership of TPLF/EPRDF regime*

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## Introduction

Ethiopia is one of the 20 poorest countries in the world that directly depends on foreign aids. It requires multi dimensional humanitarian assistances of Non-governmental organizations (NGOs) because it is not at level of self-sufficient to fight and win poverty. Independent NGOs are one of the stakeholders that have significant contributions in peaceful struggle to minimize negative impacts of poverty. Relief and development programmes of independent NGOs improve livelihoods of marginalized groups of human beings in Africa in general and in Ethiopia in particular under conditions of effective and efficient management practices for which both donors and beneficiaries are equally responsible.

Livelihoods of about 85% of 84 million Ethiopian people who live mainly in rural areas directly depend on subsistence agricultural economy. Therefore assistances of independent NGOs guided by principles of humanity play vital roles in improving the livelihoods of marginalized sectors of societies mainly peasants (rural people) and poor communities of urban dwellers in the country. As for various reasons, neither the emperor's government nor the *Derg* (Military Committee) was well prepared to respond to the famine crises of the early 1970s and 1980s spreading across the country, but the NGOs were instrumental in preventing greater loss of life during both catastrophic episodes (Clark, 2000).

After the 1990s the number of NGOs in Ethiopia increased significantly. About 1200 local and international NGOs were registered in Ethiopia in year 2004 (UN, 2004). Currently 4677 NGOs plus Civil Society Organizations (CSOs) are registered under justice ministry of the country (IPS, 2009). NGOs may comprise about 75% of these organizations. It is a large number of NGOs in comparison to the Sudan, Eritrea, Djibouti, and Somalia. In comparison to other African countries the figure is still small because Ethiopia is the second largely populated country but rank 10<sup>th</sup> in total land area in Africa.

General missions of NGOs operating in Ethiopia mainly includes improvement and advancement of the public good, the quality of life of those who are disadvantaged and vulnerable, and proper management of the environment for future generations (NGOs code of conduct, 1999). The mission statement of NGOs guides their humanitarian activities. Independent NGOs are mainly involved in relief, rehabilitation, and development programmes to assist non-partially the poor people of Ethiopia.

The government of Ethiopia under the leader ship of Tigray People Liberation Front/Ethiopian People Revolutionary Democratic Front (TPLF/EPRDF) is the first politico military regime in history of the country that successfully organized and established local political NGOs mainly depending on technical and financial assistances of foreign organizations. The regime has been successfully extended the operations of its political local NGOs from its base, Tigray federal state (home of the TPLF), to all other federal states of Ethiopia through its major puppet political organizations called the Amhara National Democratic Movement (ANDM), the Oromo People Democratic Organization (OPDO), the Southern Ethiopian People's Democratic Front (SEPDF), and other minor political parties under its full control.

The study is conducted based on literature reviews. The review gives general information of historical background, principle, and classification of NGOs in Ethiopia. After presenting narrative discussion of the most officially known major political NGOs and governmental companies under direct ownership of the TPLF /EPRDF regime their common characteristics and political function are analysed.

The analysis is required to know whether political local NGOs in Ethiopia are one of the genuine organizations running their activities according to principles guiding NGOs operations in the country or whether they have been strategically designed by the regime as an instrument to protect and sustain its political power for unlimited periods of time in addition to other instruments employed for suppression of peaceful and democratic transfer of governance power and for accumulation of excessive wealth when the majority of the people are suffering from recurrent famines, absolute poverty, and malnutrition.

## 1. Historical background

Indigenous self-help system known as Community Based Organizations (CBO) existed in Ethiopia for centuries. For example indigenous institutes like *Debo*, *Ekub*, *Edir*, etc have been providing mutual aid, reconciliation, rotational saving, and credit services. *Debo* provide mutual aid to member farmers; *Ekub* is similar to a saving and credit association with lottery components providing periodic rewards to participants; and *idir* provides assistance to families after the death of a member, emergency insurance assistance, or other function to its members (Clark, 2000).

Modern local NGO was informally organized and established in the country with the assistances of evangelical missionaries at the end of 19<sup>th</sup> century. The activities of the first modern local NGOs were focused on Education and Medical services. A group of first Oromo evangelical Christians under the leadership of Onesmos Nasib (Hika) had established Nedjo Missionary School in 1912 in very remote area about 540 kilometres West of Finfinne (Addis Ababa) town, but the school was closed after 18 months of education services it had provided to about 50 beneficiaries (Danuu, 2004). The Ethiopian government interrupted this educational NGO for a political motive. After 14 years the school was reopened in 1927 with the assistance of the Swedish Evangelical Missionary. The Swedish and German Hermansburg evangelical missionaries also managed to establish the Nedjo Medical Clinic in 1927, and the Hayira High School and Hospital in mid of 20<sup>th</sup> century, respectively.

NGOs organizations and establishments in a formal way started to emerge in the country after end of the first half of 20<sup>th</sup> century. Both national and international NGOs began to appear in the country around 1960, when neither the various self-help groups found in all levels of Ethiopian society nor the government was able to meet the growing demands of the population for modernization (Clark, 2000).

The development department of the Ethiopian Evangelical Church Mekane Yesus (EECMY) is the first official religious local NGO formally established in the 1960s to coordinate education, medical, and rural development programmes formulated with limited resources. It was organized to provide services to millions of marginalized communities in remote areas of Western and Southern Ethiopia. Similarly, the Ethiopian Red Cross (ERC) was formally established in 1960 as the first secular local NGO.

Swedish Save the Children is the first international NGO that started its activities in the country in 1960. The number of international NGOs increased after 1970 as humanitarian response to the 1973 and 1984 famine disasters. For example international NGOs like LWF- WS, OXFAM, CARE, and etc started relief and rehabilitation services in Ethiopia at this time and they have saved lives of millions of people. During the initial famine of 1973–74, various groups engaged in relief operations by forming the first NGO umbrella organization known as CRDA (Christian Relief and Development Association), a coalition of Catholic charities, other religious affiliates, and a few outside, secular NGOs (Clark, 2000). The number of domestic and foreign NGOs launching the relief and development assistances increased since 1990 significantly.

## 2. Principles guiding NGOs establishment and function in Ethiopia

Mission statement and code of conduct guide NGOs establishment and function in Ethiopia. The mission statement guiding NGOs establishment and function in Ethiopia include the principles of voluntarism, benevolence, non-profit motive (not self-serving), independence, and non-discriminatory. It is stated as follows: (i) It is voluntary organizations established voluntarily; (ii) It has commitment to help disadvantaged or marginalized sectors of society; (iii) It is not-for-profit (not self-serving) organizations; (iv) It is independent from government (operates without either direct interferences of government or fake independence); (v) and It is free from marginalizing the humanitarian services with ideology, racial, or class based discriminations (CRDA, 1999).

The Ethiopian Commission of Early Warning and Disaster Prevention prepared a guideline for NGOs operation in Ethiopia in 1995. The guidance resulted formulation of NGOs code of conduct in the country. A total of 165 local and international NGOs endorsed and signed NGOs code of conduct on 5<sup>th</sup> of March 1999 to strengthen self regulation. It is mainly focused on conducting their activities with care, transparency, and accountability. The code of conduct help the NGOs to attain their mission that mainly include improving and advancing the public good, the quality of life of the disadvantaged (vulnerable) groups of human being, and proper management of environment for future generations (CRDA, 1999).

The code of conduct for NGOs operating in Ethiopia has two major aspects: these are Standards of Conduct and Code of Observance. Standards of conduct include the principles and values of voluntarism that pertains to the following focal points: people-centered, fairness and equity, moral and ethical integrity, transparency and accountability, good governance, independence, communication and collaboration, gender equity, environmental consciousness, sustainability, and impact (CRDA, 1999).

### **3. Taxonomy of NGOs in Ethiopia**

NGOs in Ethiopia can be classified based on three parameters: origin, ideology, and development sector taxonomies. An origin based taxonomy classifies NGOs in Ethiopia into two major groups: indigenous (local) and foreign (international) NGOs. An ideology based taxonomy classifies either local or international NGOs operating in the country into two major groups: religious and secular NGOs. A development sectors based taxonomy classifies either religious or secular NGOs into education sector, medical service, integrated rural development, water development, infrastructure development, micro credit service, children development, integrated urban development, human rights defence programmes /projects oriented organizations (institutes).

In principle group of Ethiopians or non-Ethiopians can establish NGOs operating in the country. International NGOs are organized in foreign countries where their head offices are located and coordinate financial support for all activities. However local NGOs are fully organized in Ethiopia to coordinate the entire programme and projects within the country.

The Local NGOs in Ethiopia can be generally categorized in to three major groups: religions, professional, and political NGOs. The religious local NGOs like Development Commission of Ethiopian Orthodox Church, the EECMY Development Department, and the Catholic Relief and Development Society (CRDS) for example are respectively associated with three major churches of Ethiopia namely Ethiopian Orthodox, Evangelical, and Catholic Churches. These churches have officially organized their own development departments or commissions in order to carryout humanitarian activities in an independent manner.

Professional local NGOs were basically established by experienced groups of experts. For example Abebech Gobena Orphanage and School, HUNDE micro credit services, Gudina Tumasa Foundation (GTF), etc are independent local NGOs affiliated with professional commitment of a group of individuals. These and other professional local NGOs are carrying out their activities independently or without the direct control of the government.

Political local NGOs are first organized and established in Northern Ethiopia with direct involvement of TPLF officials at the end of 1970s. The TPLF/EPRDF is the first regime in history of Ethiopia to organize and run political local NGOs under direct ownership. These NGOs are easily identified by their identity, political function, and history. For example, the Relief Society of Tigray (REST), Tigray Development Association (TDA), Amhara Development Association (ADA), Oromo Development Association (ODA), and Southern Ethiopian People Development Association (SPDA) are organized and running their activities under direct control of the regime's officials.

#### 4. Geographical distribution of political NGOs in Ethiopia

Local NGOs of the TPLF/EPRDF regime geographically covers all of the eleven (11) federal administrative regions of Ethiopia: Tigray, Afar, Amhara, Oromia, Somali (Ogaden), Southern nations, nationalities and peoples, Gambela, Benishangul /Gumuz, Addis Ababa city, Diredawa and Harar towns. The origin of political NGOs in Ethiopia is Tigray federal administrative region, i.e. the home of TPLF/EPRDF regime.

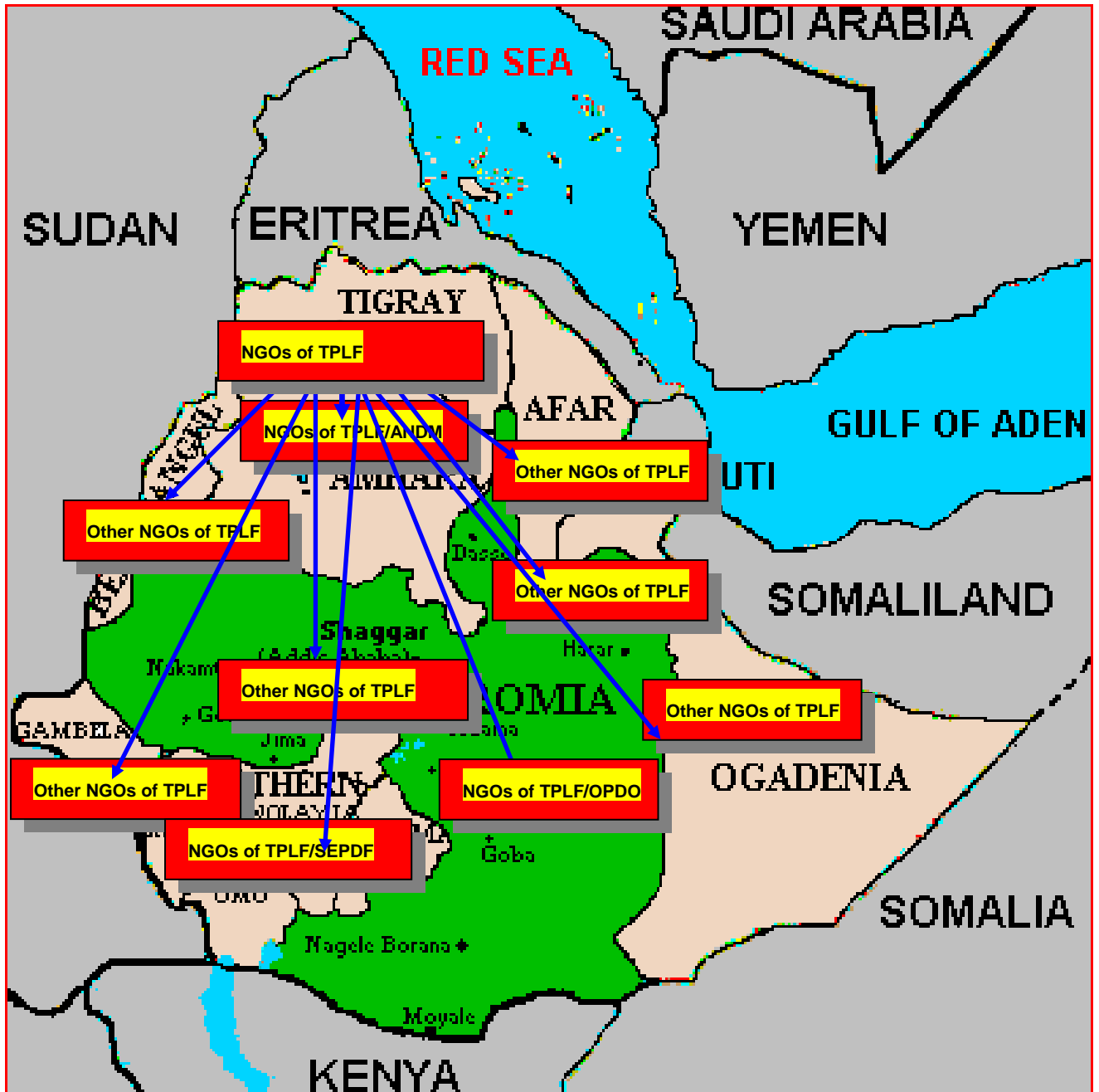


Figure1: Geographical distribution of local political NGOs in Ethiopia

The local NGOs of the regime are extended to different parts of the country through its political parties organized under the leadership of the TPLF which include mainly ANDM, OPDO, SEPDF, and other minor level political organizations. The livelihoods of tens of millions of rural and urban inhabitants are directly depending on financial services of political NGOs that employ poverty to protect political power.

## **5. Political NGOs of the TPLF/EPRDF regime**

EPRDF is a pseudo multi-ethnic political party under strict control of the TPLF. It is in essence the TPLF because it is neither a unitary nor a coalition of political parties but it is an instrument of ethnic political organization that entirely adopted the political programme of the TPLF (Berhe, 2005). It is guided by divide and rule principles of colonial governance of the TPLF that specially enjoy the external sponsorship of military power. Surrogate ethnic political organizations under the TPLF/EPRDF regime are practically representatives of the TPLF in other parts of Ethiopia.

The TPLF/EPRDF regime organized and established successfully several local NGOs under rule of gun to build primarily political legitimacy for its military power. The regime has started its political NGOs organization in 1978 when it was fighting communist military junta. The apparent objective of its political NGOs was to save the lives of civilian populations who have been vulnerable to food shortage and livelihood destructions frequently caused with natural disasters and insecurity. The food aid and relief activities launched through both political and humanitarian NGOs have saved lives of millions of civilian populations in northern Ethiopia who were directly exposed to the civil war of 1974 to 1991. The regime has also significantly benefited from the activities of the NGOs in achieving military victory and political legitimacy in provinces under its control. Later on it has managed to control most of the provinces and became internationally acceptable successor of the communist regime. The major well known local NGOs under direct control of pseudo multi-ethnic political parties of the regime are explained as follows.

### **5.1. NGOs of the Tigray People Liberation Front (TPLF)**

The major local NGOs under the ownership of the TPLF in Tigray federal administration are the Relief Society of Tigray (REST), the Tigray Development Association (TDA), the Tigray Women Association (TWA), the Tigray Peasants Association (TPA), the Tigray Youths Association (TYA), and the DEDEBIT Credit and Savings Institution Sc (DCSI).

REST is the first and most privileged political local NGO in Ethiopia. It was organized in 1978 and presented to the international donor communities as NGO operating independently, but in reality the central committee members of the TPLF have been heading REST (URD, 2002). It was designed as an instrument to channel financial and material supports of the international donor communities for aid and development programmes in the areas under the control of the TPLF during the civil war. The Western governments have been donating financial and material aids through international donor agencies to the local NGO. The TPLF has been benefiting from the input of the external donors that channelled through its local NGO. These benefits included mainly improvement of the following major purposes of the TPLF: peasant-based supports, legitimacy of expansion among the civilian population, efficient use of resources for organizational structures, and quantitative capability in feeding the armies called fighters for freedom (URD, 2002). Thus humanitarian aids of the international donors channelled via REST were the decisive factor not only for the survival of the TPLF during 1984 – 86 crises but also for the victories achieved over the military of the “communist” junta called Derg.

After end of the war REST was formally registered by the Relief and Rehabilitation Commission (RRC) as the NGO operating independent of the TPLF influence. REST specified and expanded its activities in Tigray Federal region of Ethiopia. Its financial resources have been tremendously increased mainly via great increments of funding from international NGOs and governmental aid-organisations. It has been energetically tried to project the image of independent non-political NGOs in Ethiopia. However, at least 2 of the members of REST Board of director remained to be central committee or politburo of the TPLF. For example in 1996 Abbay Tsehay (Central Committee or Politburo of the TPLF) was REST chairman (URD, 2002). Today still the political cadres of the TPLF directly control REST to protect and sustain political power of the regime without any challenges.

The TPLF created its second local NGO called TDA, in 1989. TDA is a mass organization of the TPLF abroad and inside Ethiopia. It consolidated and expanded its branches within Tigray and established its sub-branches among Tigray communities in other parts of Ethiopia. Its financial resources have been tremendously mounted mainly via an intensification of fund-raising campaigns backed up by the political power of the TPLF. It has been presented as local NGO operating independent of the TPLF influences; however TDA is under full control of the TPLF. After the end of the war the RRC registered the TDA formally as local NGO operating independent of the TPLF influence. But its direct link to the TPLF is clearly demonstrated with political status of its board members. At least a central committee member of the TPLF is the member of board committee of the TDA. For example Mrs. Aregash Adane (Central Committee or Politburo of the TPLF) was member of the TDA Board of director in 1996 (URD, 2002).

The Tigray Women Association (TWA) is the 3<sup>rd</sup> local NGO of the TPLF. It was derived from the Democratic Organization of the Women of Tigray that originally known as the Association of Women Armies of the TPLF. TWA has been presented to external donors as non-political independent NGO and its funds for development projects were frequently granted. But it is practically under full control of the TPLF cadres. For example Mrs. Kidisan Nega (senior political cadre of TPLF) has been heading the TWA in 2000 (URD, 2002).

Tigray Peasant and Youth Associations (TPA and TYA) were also established as the local NGOs to organize the Tigrean peasants and youths under the full control of TPLF. The direct link of these NGOs to the TPLF is demonstrated with political status of individuals leading the TPA and TYA. Senior cadres of the TPLF are heads and hearts of peasant and youth mass organizations.

DEDEBIT Credit and Savings Institution Sc (DCSI) was established in the mid of 1990s by joint venture of REST, TWA, TFA, and TYA. It grew out of the Rural Credit Programme built up with funds provided from the international donor communities and run by the REST. Thus REST acquired a total monopoly of credit to the rural and urban poor communities. It owned at least a quarter of million clients with a loan volume of ninety (90) millions Birr in year 2001 only (URD, 2002). The shareholders of DEDEBIT credit firm are REST, TWA, TFA, and TYA. These local NGOs were established their own companies under the full protection of the regime to invest the return from governmental business on protection of the political power of the ruling party, i.e. TPLF/EPRDF. For example the TDA owns SELAM Bus-line and SEGEN construction firms. There are several varieties of small, medium, and large scale firms and companies developed from local NGOs of the regime that will be explained in detail later on.

## **5.2. NGOs of the Amhara National Democratic Movement (ANDM)**

ANDM is the first and main extension of TPLF/EPRDF regime in the Amhara federal state of Ethiopia. The following are the local NGOs directly functioning under direct control of ANDM: the Ethiopian Relief Organization (ERO) later renamed as the Amhara Development Association (ADA), Amhara Women's Development Association (AWDA), the Amhara Peasants Associations (APA), the Amhara Youths Associations (AYA), and the Amhara Credit and Savings Institution Sc (ACSI). ANDAM had already built up its assets in kind and cash during the war in similar fashion of the TPLF except in a very small scale than that of the TPLF.

ERO/ADA is the 1<sup>st</sup> local political NGO of ANDAM. It was established in 1981. In 1997, it was renamed as the Organization for Relief and Development in Amhara (ORDA). Most of the top officials of ORDA are members of the Central Committee of ANDAM. For example in 1997 Tadesse Kassa (the chairman of ANDAM board); Demeke Mekonnen (member of the board); Kebede Tadesse (member of the board); and Enwoy Gebremedhin (member of the board) are the central committee members of ANDAM (URD, 2002). These facts make clear that ORDA is the local political NGO that depends on ANDAM.

After the end of the civil war ANDM established its 2<sup>nd</sup> local NGO called ADA in 1992. Similarly most of the top officials of ADA are also the central committee members of ANDAM. For example Assefa Mamo, the Chairman of the executive committee (board) of ADA, is the central committee member of ANDAM. ADA bought Wanzaye hotel from the Ethiopian privatisation agency in 1995 with half a million Birr (URD, 2002).

AWDA was established in 1995 as the 3<sup>rd</sup> local political NGO of ANDAM. In 1997 ANDAM organized and established its APA and AYA. In the mid of 1990 ANDM established its ASCI which is one of the major financial linkages between the Amhara regional government and the local NGOs of the ANDAM. Thus the local NGOs of ANDM are running business freely with no respect to the NGOs basic code of conduct. ASCI established 134 branches of credit services in 1998. Its areas of operations were expanded to 78 of the 105 districts of the Amhara federal state in which 19200 saving and credit groups have been organized with the loan volume of one hundred thirteen million Birr (URD, 2002). These political local NGOs are operating under full control of high-ranking political cadres of the regime in Amhara federal state.

The TPLF had formed ANDM during the end of the 1980s as its local representative and embedded its leaders in the EPRDF to extend its influence in Amhara region of Ethiopia (Berhe, 2005). The extension of TPLF/EPRDF regime in the Amhara federal state by its fake name, ANDM, is required to defend political power of the regime in this part of Ethiopia. Therefore local NGOs under control of ANDM are carrying out their activities among Amhara people under direct influence of the TPLF.

### **5.3. NGOs of the Oromo People`s Democratic Organization (OPDO)**

OPDO is the 2<sup>nd</sup> most important extension of the TPLF/EPRDF regime in the Oromia federal state of Ethiopia. The regime formed its surrogate organization, OPDO, in 1988/89 from rank and files of war prisoners. OPDO is the regime's instrument through which the policies of political domination, socio-economic subjugation, and human rights violations have been implemented in Oromia in order to protect the interest of the regime. OPDO started organizing political local NGO in Oromia in 1993. The local NGOs of the OPDO mainly include the Oromo Self-Help Organization (OSHO), the Oromo Development Association (ODA), the Oromo Democratic Women's Association (ODWA), the Oromo Democratic Youth Association (ODYA), and the Oromia Credit and Saving Institute Sc (OCSI).

OSHO was established in 1993 as the 1<sup>st</sup> political NGO of the OPDO. ODA was established as the 2<sup>nd</sup> local NGO in 1994. OCSI was established with joint venture of OSHO and ODA, in 1997. ODWA and ODYA were established respectively in 2000 and 2001. Most of the top officials of OSHO and ODA are the central committee members of OPDO similar to the political local NGOs in Amhara and Tigray federal states. For example in 1998 the ODA board directors were Hassan Ali (vice chairman of Oromia council), Adem Ibrahim (minister of health), Sufiyan Ahmed (minister of Finance), Mulatu Teshome (vice minister of economic development and external cooperation), Mohamed Gelata (head of Oromia agricultural bureau), Junediy Saddo (head of Oromia water development bureau), and Almaz Mekko (speaker of house of federation) (URD, 2002). These facts clearly demonstrate that political local NGOs are operating under total control of hired cadres of the regime in Oromia state.

During the 1995 and 2000 elections the first highest number of seats in the parliament was recorded by OPDO however the TPLF who had the third least number of seats took the prime minister post. This demonstrates that the EPRDF is neither a coalition of autonomous political organization nor a unitary national organization but the EPRDF is in essence the TPLF (Berhe, 2005). The TPLF/EPRDF regime is extended in the Oromia federal state by its fake name, OPDO, to defend its political interest. Therefore local NGOs under control of OPDO are designed to defend political power of the regime in Oromia.



#### **5.4. NGOs of the Southern Ethiopian People Democratic Fronts (SEPDF)**

SEPDF is the 3<sup>rd</sup> major extension of the TPLF/EPRDF regime in Southern Nations, Nationalities, and Peoples Regional State (SNNPRS). It was formed illegitimately with participation of handpicked individuals from 20 ethnic groups in the southern Ethiopia forcefully in 1992. The TPLF/EPRDF regime had formed SEPDF as its local representative to extend and sustain its influence in southern Ethiopia. SEPDF is an instrument of the regime to legitimatise the rebel military victory politically. Therefore activities of local NGOs of SEPDF are not free from full control of the regime.

SEPDF started organizing political NGOs for the regime in 1993. It established its NGOs in the same fashion as that of ANDM and OPDO under direct influence of the regime. These NGOs mainly include the Southern Ethiopian Peoples Development Association (SEPDA), the Southern Ethiopian Peoples Youths Association (SEPYA), and the Omo Micro finance Institute Sc (OMFI).

SEPDA is the 1<sup>st</sup> local political NGO of the SEPDF. It was formed in 1995 from 17 ethnically defined development associations linked to seventeen dependant political groups, which assembled together and formed the SEPDA. OMFI was established in 1997. SEPYA was established in 2002. SEPDF started the process of cash and capital accumulations from the activities of its political NGOs very slower than that of TPLF, ANDM, and OPDO. SEPDF cadres are employed to head these NGOs in order to protect the TPLF/EPRDF governance power in southern Ethiopia. For example the first general manager of the OMFI, Mathewos Wantamo, is member of the executive committee of the regional council of the SNNPRS and he is responsible for security of the regime in South Ethiopia (URD, 2002). In 1997 the regional government of SNNPRS issued NGOs credit programme directives. The directives have been strategically designed to implement the obligation that independent NGOs must channel their credit services through the political local NGOs of the regime, the OMFI, in southern Ethiopia.

#### **5.5. Other NGOs of the TPLF/EPRDF regime**

Other local NGOs of the TPLF/EPRDF regime are organized under Addis Ababa town federal administration, and Somali, Afar, Benishangul, Gambela, and Hareri federal regions. The regime has formed forcefully its surrogate parties commonly called Peoples Democratic Organizations (PDO) with handpicked individuals at the end of 1991 under rules of gun to sustain its suppressive governance power in Addis Ababa, Somali, Afar, Benishangul, Gambela, and Hareri regions. Thus the regime has managed to legitimatise its military victory politically through the Addis Ababa Administrative Council, the Somali People's Democratic Party (SPDP), the Afar National Democratic Party (ANDP), the Benishangul- Gumuz People's Democratic Unity Front (BGPDUF), the Gambela People Democratic Front (GPDF), and the Hareri National League (HNL) respectively in the Addis Ababa city, Somali, Afar, Benishangul-Gumuz, Gambela, and Harar regions of Ethiopia.

Other political NGOs of the regime are known as the Addis Ababa Democratic Women's Association (AADWA), the Addis Ababa Democratic Youth's Association (AADYA), the Addis Ababa Credit and Saving Institute Sc (ACSI), the Somali Development Association (SDA), the Somali Women Association (SWA), the Afar Development Association (AfDA), the Benishangul Relief and Rehabilitation Association (BRRA), the Benishangul Credit and Saving Institute Sc (BCSI), the Gambela Development Association (GDA), the Hareri Development Association (HAD), the Hareri Women Association (HWA), and etc (URD, 2002). AADWA and AADYA were organized at local level since 1995 and they were established in 1998 at Addis Ababa regional administrative level. The ACSI was established jointly with the AADWA and AADYA. SPDO/F established its 1<sup>st</sup> political NGO called the SDA in 1997. The APDO/F established its 1<sup>st</sup> political NGO called the AFDA in 1998. The BGPDUF organized its political NGO called the BCSI in 2002. These and other NGOs of the TPLF /EPRDF regime are controlled with senior cadres to protect the political power of the regime.

## **6. Common characteristics of political NGOs of the regime**

Common characteristics of political local NGOs of the TPLF/EPRDF regime are mainly evaluated with organizational structure and financial sources. All of the local NGOs of the regime are organizationally characterized by political involvement of the TPLF. Programmes and projects of these NGOs are directly controlled by the central committee or cadres of the regime through membership in regime's NGOs management committee. As a result these NGOs enjoy governmental services to protect suppressive political power of the regime. With its governmental power the regime is enforced international donors and independent NGOs to directly or indirectly sponsor the projects and programmes of its political local NGOs. Also the regime gives wide economic and technical assistances like preferential access to government controlled facilities, and the best treatments in obtaining operational and import-export licenses and custom clearances which are denied to independent NGOs.

From 1978 to May 1991 the financial sources of the NGOs of the TPLF were included the following varieties of cash income: regular taxation in areas of its influence, membership fees, indirect taxation (enforced donation), cash robbery (bank, public institutes, development project, military institution, etc), income from exchange transaction of REST, manipulating income obtained from expenditures of international donor funds of REST, sale of surplus relief food stuffs, repair fees charged in the TPLF-garages in Sudan, income from other business activities in areas under its control, and collection of refund in hard currency from international donors for REST to transport relief aids internally (URD, 2002). In general cash and kind capital of the TPLF/EPRDF regime have significantly been increased mainly due to the following favourable factors: owning huge amounts of military equipments; controlling large amounts of non-military material assets that its REST has been owned; donations of international donors; and confiscating huge numbers of non-military public properties after moving into areas that the military of communist junta has been evacuating.

After May 1991 (the end of 17 years civil war) the liquidity and fixed capital of the TPLF/EPRDF regime tremendously accumulated by applying military and political power manipulatively in implementing the strategies that control every aspects of the country. As a result the financial income of the regime's NGOs is dramatically growing because of the following governmentally favoured specific conditions: dubious transfer of public assets from central and southern provinces of Ethiopia to Tigray province (home of the TPLF/EPRDF regime) without any proper legal base; pressurize Ethiopian public with rule of gun to give financial donations for its local political NGOs; influencing the international governmental and nongovernmental donor organizations politically to channel their relief and development aids to the political local NGOs mainly operating in Tigray federal state; monopolizing operation of relief food transport services business that borne from the international donors; monopoly of rural and urban credit schemes set up with funds from international donors; monopoly in handling agricultural input (fertilizer, improved seed, and pesticide) credit scheme; and shareholding in several business sectors (Agriculture, Mining, Transport, Industry, Banking, Insurance, Public Services, Media, etc). Thus today the local NGOs of the regime are the richest and most influential institute in Ethiopia in particular and in the horn of Africa in general.

## **7. Political functions of NGOs of the regime**

Political local NGOs of the TPLF/EPRDF regime are one of the major instruments designed to suppress peaceful political power transfer in Ethiopia. The regime is mainly using the following measures by means of its political local NGOs to hang on governance power for unlimited periods of time and to accumulate excessive wealth to enrich itself at the cost of the public. These measures include monopoly of credit scheme; use its local NGOs to finance political activities of its cadres, sabotaging free and genuine activities of independent NGOs, formulation of law to strictly control establishment of

independent NGOs that have humanitarian contribution for civil right development, and distortion of free market policy in development of Ethiopian private business.

All of the local political NGOs of the regime are involved in credit scheme monopoly in the rural and urban areas to purchase votes of millions of beneficiaries of the credit services. Micro finance institutions known as DCSI, ACSI, OCSI, Omo Micro finance, etc were established the Association of Ethiopian Micro Finance Institutions (AEMFI) in 1999. The whole emerging micro finance institutions are under full control of the regime. The livelihoods of millions of beneficiaries of the credit schemes depend directly on micro finance institutes of the regime. Therefore these beneficiaries are under direct control of the regime and they are not free in any means to vote for opposition political parties during election. The local political NGOs are also financially sponsoring political activities of cadres of the regime.

The regime presents programmes and projects of its local political NGOs unfairly as model to legitimatise its governance sabotage against free and genuine activities of independent NGOs. It protects its local political NGOs with formulation of law (proclamations) to limit and paralyse humanitarian programmes and projects of independent NGOs that directly or indirectly contribute for civil right development in Ethiopia.

The regime is also directly involved in business activities. In doing so it has been distorting free market policy in the development of the private sector of business. Most of the profitable areas of production such as industry, services, trade, and transport are controlled by governmental companies of the regime and private companies of the Saudi-Arabia richest family known as Sheikh Mohamed Al-Amoudi, the owner of Mohamed International Development Research Organization Companies (MIDROC). Thus Ethiopian private companies are unfairly competing with these two huge economic conglomerates. The companies of the regime are successfully absorbed large and strategically more important sectors of the Ethiopian economy. They have been developed in to infinite business empire with political power manipulation.

## **8. Governmental companies of the TPLF/EPRDF regime**

The TPLF/EPRDF regime has proclaimed on 15<sup>th</sup> of April 1993 that a political party may not directly or indirectly engage in commercial and industrial activities (TGE, 1993). The proclamation is strictly applicable only to the opposition political parties. However the regime is involved in commercial activities through its governmental companies with disrespect to the commercial code of Ethiopia.

### **8.1. The Endowment Fund for the Rehabilitation of Tigray (EFFORT)**

EFFORT is the first and most influential business organization of the TPLF/EPRDF regime. It started business activities with investment volume of about 3 billion Birr (URD, 2002). It is officially established by the TPLF in 1995.

EFFORT is defined by the regime as an endowment or a nongovernmental public charity; however it is under direct control of the central committee of the TPLF as that of local political NGOs. For example the first board of directors of the EFFORT counted 8 top leaders of the TPLF, among them Siye Abraha (TPLF- politburo and defense minister from 1991 to 1995) was chairman of the board of director; Sebhat Nega (TPLF- politburo); Abadi Zemo (TPLF- central committee); and 4 officials of the federal government of Tigray were board members. In April 2001 the chair man of board of director was replaced by Sebhat Nega. In August 2002 Seyum Mesfin (the foreign minister) replaced Sebhat Nega but the latter retained the position of general manager. At its early stage EFFORT was divided into 5 major sectors. Each sector is governed by high ranking officials of the regime.

Table 1: Five sectors of EFFORT at early stage of its development (URD, 2002)

	Sectors	Managers	Companies
1	Industry	Abadi Zemo	MESEBO Building Material Construction, SHEBA Tannery, ALMEDA Textile, ALMEDA Garment, ADDIS Pharmaceuticals, MESFIN Industrial Engineering
2	Mining	Tedros Hagos	MESKEREM Investment, EZANA Mining, SABA Marbel
3	Finance/Trade	Sebhat Nega	WEGAGEN Bank, AFRICA Insurance, GUNA Trading
4	Construction/Transport	Arkebe Uqbay	ADDIS Consultancy House, SUR construction, TRANS-Ethiopia
5	Agriculture	Tsegaye Taimyallew	HIWOT Mechanization, TESFA Livestock, RAHWA goat & sheep Export

The TPLF/EPRDF regime's financial activities have been tremendously expanded and diversified since the mid of 1990. EFFORT is involved in every sectors of country's economy: agriculture, industry, import-export, transport, insurance, mining, communications (Mega-Net Corporation), and banking that directed by members of the central committee of the TPLF (Indian Ocean Newsletter, 2001). It entered into joint venture with private companies of Mulugeta Guade Mengiste (ADDIS Pharmaceutical Factory SC and STAR Pharmaceutical & Medical Supply SC) in 1995. Association of political party and private companies has been interestingly concluded with domination of the regime's company. In early 1998 Mulugeta Guade forced out of the game by entirely selling his share to the EFFORT either due to the domination nature of regime's company or frustration (URD, 2002). When the regime has formed WEGAGEN Bank in 1997 EFFORT became the largest share holder. It is also linked to BANK of Abyssinia and NILE Insurance through loosely organized private companies. It established GUNA Coffee Export in 1998 to expand its business empire in Oromia and southern Ethiopia. GUNA controls large shares of UNITED Insurance. EFFORT is also participated in Trans commodity Trading, a possibly Moscow based company, involved in the arm deals with Russia (AVN Military News Agency, 2001).

## 8.2. Amhara National Region Rehabilitation and Development organization (ENDEAVOUR)

ENDEAVOUR is the second largest business organization of the TPLF/EPRDF regime. It was organized with directives of the regime in 1995 through ANDM in Amhara federal state. It became one of the major shareholders of the WEGAGEN Bank in 1997. At the same time it became fully controlled the AMHARA Credit and Savings Institution SC. In summer of 1998 it started a deal of joint venture establishment of DASHEN Brewery with French brewery BGI (URD, 2002).

Table 2: Position of ANDM central committee members in companies organized under ENDEAVOUR

	ANDM central committee members	Position in companies under ENDEAVOUR
1	Kasa Tekleberhan	Shareholder of DASHEN Brewery
2	Solomon Tekeba	Chair person of board of directors and shareholder of both DASHEN Brewery and ZELEKE Agricultural Mechanization
3	Teshome Behailu	Managing Director of AMBASEL Trading House
4	Berhane Aberra	Chair person of board of directors and shareholder of BLUE NILE Transport
5	Kebede Chane	Shareholder of BLUE NILE Transport, DASHEN Brewery, and ZELEKE Agricultural Mechanization
6	Tewodros Desuye	Managing director of ZELEKE Agricultural Mechanization

ANDM central committee members are involved in governmental companies as managers, directors, and shareholders as shown above in Table 2 (URD, 2002). However the regime defined ENDEAVOUR as an endowment of Amhara people. In reality ENDEAVOUR is under direct control of the central committee of the ANDM as that of local political NGOs. The first supervisor of ENDEAVOUR (Wondwosen Kebede) and general manager (Tekeste Negash) are members of central committee of ANDM (Indian Ocean Newsletter, 1998).

The regime has been successfully expanded and diversified its financial empire under ENDEAVOUR in Amhara federal state. In 1998 Ambasel was able to raise its share capital from initial 1.5 million to 22 million Birr. During the same year ACSI has expanded its rural credit and saving programme in 105 districts (“wereda”) of Amhara state with a loan volume of 113 million Birr. By 2001 Ambasel, ACSI, and DASHEN appeared as the most successful companies of the regime under ANDM. Also ENDEAVOUR became a founding shareholder of WALTA Information Centre (URD, 2002).

### **8.3. Tumsa Endowment Foundation for Oromia Development (TEFOD)**

TEFOD is the third largest business organization of the TPLF/EPRDF regime. It coordinates the financial activities of the regime in Oromia federal state. The regime organized its TEFOD in 2001 through its surrogate organization known as OPDO. Since 1992 the OPDO established a number of agricultural companies: Biftu Oromia PLC, DINSHO PLC, and ODA ALBOYZ Trading PLC (URD, 2002). Since 1994 Biftu Oromia PLC is the major “*Kat*” (*narcotic green leaf of a plant*) exporter (Indian Ocean Newsletter, 1997). DINSHO PLC had become the core holder of conglomerates of companies by the end of 1990’s. Its subsidiary named as DINSHO Trading PLC has monopolized import and distribution of mineral fertilizers to peasants of Oromia federal state (URD, 2002). In 1994 ODA ALBOYZ SC was established as a joint venture between ODA, DINSHO, and Saudi Arabia Company ALBOYZ Trading PLC; however the company was collapsed after two years of operation because of mismanagement of the Ethiopian partners. DINSCHO became one of the shareholders of the WEGAGEN Bank and OCSI of the regime in 1997. Since 1999 it entered into joint ventures of Ethiopian Highland Roses PLC with Israeli and Italian investors (URD, 2002).

TEFOD or DINSCHO is presented as an endowment of Oromo people; but in reality it is under total control of hired cadres of the TPLF in Oromia. The companies of the regime under OPDO were lacked governance competence that reflects colonial political strategies of the TPLF. As a result the regime has changed general manager and other top level management of DINSCHO eight times with in less than 8 years of its lifespan to limit its operation within boundary of colonial political tool. The DINSCHO group of companies management was improved after it has been headed from 1998 to 2001 by Dubale Jale (the former governor of the national bank of Ethiopia). However it experienced again major economic problem in 2001. Some of its companies (Dinsho Transport, Dinsho Agro Industry, and Biftu) have been forced into restructuring, while 10 coffee production plants opened in the Wollega and Illubabor regions were shut down, as well as a photo shop (photo Right) located in the Mercato of Addis Ababa (Indian Ocean Newsletter, 2001).

### **8.4. WENDO Trading PLC**

WENDO Trading PLC is the fourth business organization of the TPLF/EPRDF regime. It was organized by SEPDF in 1994 with assistance of REST to expand the TPLF regime business empire in Southern Ethiopia. It is heavily involved in business of agricultural commodities like “*Kat*” trade, coffee trade, and mineral fertilizer distribution through governmental agricultural extension programme. In 1997 it became a major shareholder of the WEGAGEN Bank and in 2001 a founding shareholder in the newly established WALTA information Centre SC (URD, 2002). However its growth is kept strategically at the very low profile to limit its competence within boundary of colonial political tool.

## 8.5. Common characteristics of governmental companies of the regime

Common characteristics of governmental companies of the TPLF/EPRDF regime are mainly associated with organizational structure and financial sources. All of them are organizationally characterized by political involvement of high level officials of the regime in establishment and management of the companies. The central committee of the regime directly controls financial activities of these companies through shareholding and involvement in top level management. The political party senior officials communicate with state and public enterprises to facilitate favourable decisions. As a result these companies are enjoying privileged governmental services and protection.

The financial enterprise of the TPL/EPRDF regime is tremendously increased under absolute manipulation of military and political powers. The regime established WEGAGEN bank through its companies known as EFFORT, ENDEAVOUR, TEFOD or DINSCHO, and WENDO Trading PLC. These business organizations jointly hold about 68% of the subscribed and paid capital (URD, 2002). The regime formulated special financial policies and it enforced specific rules and regulations that govern financial activities in favor of its companies.

The regime's companies are monopolized important sectors of commerce in the country. Governmental power is instrumental in providing monopoly of business activities. GUNA trading company has monopolized wholesale and export of sesame and incense in Tigray federal state. Trans-Ethiopia has monopolized transportation of relief goods throughout Northern Ethiopia with the bill being footed by the international donors. Ministry of defense awarded contracts of truck and bus renting largely to TRANS-Ethiopia and SELAM Bus to transport military commodities and militia to the war fronts during war outbreak between Ethiopia and Eritrea in 1998. MESFIN Engineering has sold light vehicles and containers of water and petrol. Mineral fertilizer and other agricultural input distributions are monopolized by DCSI, AMBASEL, DINSHO, and WENDO companies through agricultural extension program of the federal governments of Tigray, Amhara, Oromia, and Southern Ethiopia, respectively (URD, 2002). In such a way the governmental companies successfully monopolized strategically important sectors of business in Ethiopia.

Business enterprises of the regime are emerged as large interlinked conglomerates. These financial – industrial oligarchies of the regime are organized under four holding companies fronting as endowments known as EFFORT, ENDEAVOUR, TEFOD or DINSCHO, and WENDO Trading PLC. The financial activities and cross-holding of these companies are coordinated by member banks, their assets are protected by governmental bureaucracies, and their contracts are enforced by party militias (URD, 2002). These companies employ an aggressive, multi-pronged strategy of expansion. They successfully developed into political business empire through favoured access to government and foreign aid contracts, generous loan provision from state banks, blackmailing private firms with profitable niches, and forming joint venture with domestic or foreign investors.

Provision of loan to governmental companies is politically influenced by directives of regime's high level officials through Financial Sector Steering Committee (FSSC). The FSSC directs the provision of loans by Commercial Bank of Ethiopia (CBE), Development Bank of Ethiopia (DBE), and Construction and Business Bank of Ethiopia (CBBE). This committee consists the Prime Minister (Meles Zenawi, chair man), finance minister (Sufian Ahimad), economic development minister (Girma Birru), respective board chair man of the 3 state banks, and governor of national bank of Ethiopia. It defines policies and strategies for the banks, appoints board of management and executives for the banks, and routinely monitors their operation (Abebe Zerihun, 2001). Therefore the regime can easily manipulate its bureaucratic power in advancement of loans from state banks to its companies. Since 1994 the state banks have been provided a total loan of about 10 billion Birr to governmental companies as shown in the following table (Abebe Zerihun, 2001).

Table 3: The loan granted by state banks to governmental companies from 1994 to 2000

	Companies	Millions of Birr		Companies	Millions of Birr
1	Mesebo cement factory	1500	9	Marble factory	500
2	Mesfin engineering	1300	10	DINSHO PLC	500
3	Textile factory	1200	11	WENDO trading PLC	500
4	Trans Ethiopia	1200	12	Dashen	500
5	Leather factory	800	13	Addis pharmacy	400
6	Construction company	600	14	Mega company	400
7	Ambasel	500	15	Tikur Abay	400
8	Guna trading	500	16	Mega building	50

The amount of loan provided to governmental companies mostly exceeds the real capital of the companies. For example Mesebo building material producing company of EFFORT planned construction of Mesebo cement factory with 695.4 Million Birr with a stated capital of only 2.3 Million Birr without submission of guarantee and statement of fixed assets. However the plan of the company was successfully implemented by credit provision from CBE, DBE, and CBBE (Tobia, 1996). EFFORT borrowed 1500 million Birr from state banks during construction of Adigrat pharmaceutical (176.09 million Birr), Adwa textile (325.7 million Birr), Dashen brewery (222 million Birr), and Mesebo cement (772.9 million Birr) factories. These companies had to payback 115 million Birr to state banks until 7<sup>th</sup> of July 2001 but they did not pay on time. Due to political pressure from the regime the state banks have not been in position to take managerial actions against the defaulters (Press Digest, 2001). Extralegal provision of loans from state banks through manipulation of bureaucratic power is the major source of income to develop governmental companies into the largest business conglomerates in Ethiopia.

Governmental companies are extremely favoured by bureaucratic system of the regime through the patronage of governmental power. They are favoured with better accessibility to market information, use of governmental offices (ministries and bureaus), extralegal lending of money from state owned banks, and utilization of governmental buildings freely. They are favoured by the government in issuing licenses and they are subjected to lower taxation and operational costs than private enterprises (Young, 1997). Development of the private sector has been deteriorated by problems associated with finance, land, tax related constraints, market difficulties, infrastructure, bureaucracy, and corruption; but the ruling party affiliated companies are being favoured (Addis Tribune, 2002). The regime dissolved association of private insurances, denied permission of association for private banks, instructed governmental institutions not to do business with private sectors, and withdrew account of defence ministry from CBE to Wogagen bank (Abebe Zerihun, 2001). It openly discriminates private companies in provision and distribution of agricultural commodities. For example governmental companies enjoy a state subsidy in the form of use of governmental stores (ware houses of ministry of agriculture) rent free to supply agricultural commodities; however the private companies either have to pay the fee or rent store from the private (URD, 2002). Therefore there is no a fair playing field for genuine private companies.

Companies of the regime serve as fertile grounds for corrupt practices. They generate a substantial economic base for the ruling party. Senior cadres and their cohorts have become instant millionaires. The regime amassed substantial commercial assets to add to the mountain of war material already under its control. The wealth being amassed by the regime through its companies is the ill-gotten property of Ethiopian people. In sum the regime's politico-economic apparatus is a government with in government. This practice undermines the rule of law by encouraging extra-legal methods of conducting business (URD, 2002). Therefore a systematic nature of corrupt governance of the regime of Prime Minister Meles Zenawi is tremendously higher than the misappropriation of public funds by the regime of communist military junta under the leader ship of Colonel Megistu Haile Mariam.

## 9. Political function of governmental companies of the regime

The TPLF/EPRDF regime has been successfully converted military and political powers into economic dominance of ruling political party by violation of commercial code of the country. It accumulated extra legally huge amount of wealth through practice of governmental business monopolies, systematic ownership of public assets, development of unethical institutions, unfair competition with private business sectors, and wide spread of corruption. Systematic limitation of public endowment rights and illegal restriction of private commerce development are required to strength regime`s political muscle.

The regime has violated the civil code of the country that stated as “the act by which the endowment is approved shall determine the organism which is to be responsible for the protection and control of the endowments”. However the regime is founder, manager, beneficiary, and trustee of the endowments (Addis Tribune, 2002). Programme and projects of governmental companies are evaluated by the congresses and executive committees of the regime (The Ethiopian reporter, 2002). The public has not ideas about the financial status (capital, profit, and loss) of these companies. Therefore governmental companies are neither endowments nor public charity organizations but they are weapons of the regime that designed as a means to stay on political power indefinitely through exploitation of Ethiopian economy.

Governmental companies are one of the major instruments designed to suppress peaceful political power transfer in Ethiopia. “The warlords that replaced the Derg have shamelessly converted political power into party monopolistic economic power. Erstwhile sandal-clad socialist guerrillas now sit at the helm of multi-million dollar conglomerates. The necessity to finance the guerrilla armies had impelled them to establish a network of small commercial ventures in the territories under their reach, including the cross-border trade with Sudan and the Diaspora. This was supplemented with the occasional looting of banks, and extortion of money and tax from defenceless citizens. The result is a brand new model of party-led mafia-type capitalism in the Horn of Africa. The model combines underground and above-ground activities in the forms of theft of state property, export and currency scams, insider privatization, and crony-capitalism (EDAL, 1999)”. However opposition political parties are banned from owning profit-seeking business in order to protect and sustain the regime`s absolute monopoly of governance power.

The regime is invested its economic dominance on limitation of political ability of opposition forces. For example its agent in west Oromia collects information on each household through structures called “Shane” (group of 5 households) and “Gare” (groups of 30 to 40 households) besides using the police and security offices. Each household of “Shane” is required to report on guests and visitors, the reasons for their visits, their length of stay, what they said, and activities they engaged in. A leader of “Shane” has to pass the information on the 5 households every day to the “Gare”. The security chief of “Gare” passes the information to security chief in the Qabale, who in turn reports to the Woreda (district) police and security office. Additionally, the party has organized the people into peasant, youth, women, and micro-credit associations and it has branches or cells in every village and public institutions for tighter control and easy dissemination of its propaganda and to do party activities (Negasso Gidada, 2009). Annually about 20 Million Birr is required in Oromia alone to cover the per diems paid for security activities done by “Shane” leaders with a minimum annual rate of 200 Birr per a single unit. This security budget can easily be covered from the annual turnover of business activities of the regime.

The existence of extra legal economic dominance of the regime is unchallengeable constraint for the newcomers into the political arena. The regime can easily purchase loyalty of followers and appointees of higher offices. Wherever the system of bribes unable to function it invest its wealth for special security systems to enforce its political will through violation of human rights. Under such conditions even the cleanest and fairest election is limited to produce positive result. Therefore governmental business empire is one of the major obstacles to realize practical democracy in Ethiopia.



## 10. Conclusion

Marxist Leninist League of Tigray (MLLT) known by its fake names TPLF or EPRDF is the first regime in history of Ethiopia in establishing and manipulating political local NGOs to achieve and protect its governance power. The regime has forcefully extended the operation of its NGOs from Northern to all parts of the country by means of reproducing such fake names as ANDM, OPDO, SEPDF, and other organizations. Constitution of Ethiopia does not allow political parties to organize their own NGOs and companies to achieve political goal. However, large numbers of NGOs and companies are organized and running their programmes under direct control of the regime with no respect to the constitution of the country and the principles guiding establishment and function of NGOs. Violation of the constitution and norm is required to gain absolute control of financial and material supports channelled through its NGOs from external and internal sources. Wherever and whenever required the regime invests the asset accumulated directly or indirectly on activities of suppressing a peaceful democratic struggle.

In general NGOs establishment and function in Ethiopia are guided with the following major principles: voluntary organization, commitment to serve marginalized sectors of society, non-profit, independent from government influence, and free from ideologically marginalizing humanitarian services. However political NGOs of the TPLF/EPRDF regime are forcefully organized, are serving supporters of the regime; profit oriented, dependant, and politically discriminatory services. Therefore local NGOs of the regime are not qualified as NGOs rather they are called fake NGOs in Ethiopia.

Common characteristics of fake NGOs and companies of the regime mainly include: non-voluntary organization led by central committee or cadres of the regime; enjoy governmental especial bureaucratic services, protection of regime's political power, preferential access to government facilities, confiscation of public assets, and involvement in several business sectors through violations of civil and commercial codes. These fake organizations connect political parties of the regime to several millions of rural and urban inhabitants. The regime strategically designed monopolistic ownership of credit schemes, sabotaging or restricting humanitarian activities of independent NGOs, and distortion of free development of commerce in Ethiopia to protect its brutal governance power.

Fake NGOs and companies are one of the major instruments of the regime to sustain its reign forever. They have been playing major political roles in legitimatizing military victory of the rebel regime of Tigray in most parts of Ethiopia in short term. This systematic strategy also has high potential in long term in limiting peaceful challenges to the regime's absolute power. Millions of the beneficiaries of the fake NGOs are not free to vote for opposition political parties during electoral seasons. Therefore it is challenging for poor peoples of Ethiopia to practice freely the right to change democratically the governance power because their livelihood is directly depending on fake organizations in fighting chronic poverty that is manipulated as an instrument to protect dictatorship. This is one of the hidden obstacles that limit the ability of Ethiopian people to change governance power peacefully.

Ultimate end of duplication of fake institutions is non-sustainable development and instability. Commitment to address merely poverty symptoms, rather than its root causes, will never increase the effectiveness of NGOs investment on humanitarian or development aids in Ethiopia. The country is ranked # 11 from lists of the poorest 20 countries in the world (UNDP, 2008). Non sustainable victories of the regime are also strategically void because today ethnic based human rights violation crimes that have been committed on unarmed civil Ethiopians via directive of the current regime under the dictatorship of prime minister Meles Zenawi is at least equivalent to the human right violation crimes were committed with the communist military regime under dictation of colonel Mengistu Haile Mariyam. Its supporters (sponsors) should have to minimize systematic obstacles waged on genuine struggle of peoples of Ethiopia for peace, freedom, democracy, stability, and sustainable development before it is too late to reverse the negative impacts of such a purposeful suppression and killing of justice.

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