



# Taking WIDE Forward Through a Transition Phase



## WIDE - engaging with policy since 2010

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## Acronyms and abbreviations

AAU	Addis Ababa University
ACC	Agricultural Commercialisation Cluster
AGP	Agricultural Growth Programme
ATA	Agricultural Transformation Agency
CBHI	Community-Based Health Insurance
CPR	Contraceptive Prevalence Rate
CSA	Central Statistical Agency
DAG	Development Assistance Group
DBS	Direct Budget Support
DFID	Department For International Development
DHS	Demographic and Health Survey
DIP	Democratic Institutions Programme
DP	Development Partner
ECSU	Ethiopia Civil Service University
EDHS	Ethiopia Demographic and Health Survey
EDRI	Ethiopian Development Research Institute
EPAU	Economic Policy Analysis Unit
ERHS	Ethiopian Rural Household Survey
ESDP	Education Sector Development Plan
ESPES	Enhancing Shared Prosperity through Equitable Services
FSS	Forum for Social Studies
GDP	Growth Domestic Product
GERD	Grand Ethiopian Renaissance Dam
GOE	Government Of Ethiopia
GTP	Growth and Transformation Plan
HSTP	Health Sector Transformation Plan
IFI	International Financial Institution
IMF	International Monetary Fund
JGAM	Joint Governance Assessment and Measurement
LGD	Local Government Development
MDG	Millennium Development Goals
MMR	Maternal Mortality Rate
MOE	Ministry of Education
MOFEC	Ministry of Finance and Economic Cooperation
MOFED	Ministry of Finance and Economic Development
MOH	Ministry of Health
MSE	Micro and Small Enterprises
MZLA	Meles Zenawi Leadership Academy
NPC	National Planning Commission
P4R	Programme For Result
PBS	Protecting/Promoting Basic Services
PSCAP	Public Service Capacity-building Programme
PSNP	Productive Safety Net Programme
PSRC	Policy Study and Research Centre
R&D	Research and Development
RBA	Result-Based Aid
RED/FS	Rural Economic Development/ Food Security
SIDA	Swedish International Development Agency
SME	Small and Medium Enterprises
TVET	Technical and Vocational Education and Training

UNDP United Nations Development Programme  
UNICEF United Nations Children's Fund  
URRAP Universal Rural Road and Access Programme

## Introduction

The ‘policy review’ papers produced at inception of each of the three stages of WIDE3 aimed to outline the then-current policy landscape and briefly describe the key development interventions then interacting with other dynamics at play in the WIDE communities. This paper is prepared at the end of a transition phase whose focus has been on further exploiting the existing data. In addition, the research team has outlined a number of directions in which WIDE could be taken forward (Bevan 2016a and Bevan 2016b). In this paper my aim is to set the scene for any of these possible directions, and I do this in three ways.

*First*, I summarise a number of **development and policy trends** that unfolded since 2010 over the period of WIDE3 and of this transition phase, and highlight a number of noteworthy directions reflected in the policy framework of the Growth and Transformation Plan II (2015/16-2019/20). This discussion, which takes stock of the policy framework ‘where we leave it’ at the time of writing, would provide the basis for a more detailed policy review update, whenever one or other of the research projects we identified as a potential next step takes off.

*Second*, I reflect on **how WIDE has engaged with policy so far**: drawing out a number of lessons on what worked, what worked less well and why; and highlighting possible implications for the future. In our proposal in 2009 we made clear that we intended WIDE3 to be policy relevant. Through three main distinctive features, our objective in designing WIDE3 has been to complement the usual approaches to assessing the effects of development interventions in a particular country context: namely: 1) a long-term perspective, 2) a community focus and 3) a qualitative data and case-based methodology building on a complexity social science conceptual framework. Other more orthodox approaches, Bevan explains, have their uses, but often do not provide the kind of information and analysis useful for the strategic planning of future interventions in countries marked by considerable internal livelihood diversity and rapid change, as Ethiopia is. This is the gap that WIDE has been designed to fill (Bevan 2016c). In this part of the paper, I reflect on how WIDE3 has addressed this objective.

*Third*, building on the second section, I outline some thoughts on how this process of research-policy engagement might be taken forward. Notably, I turn to the **idea of institutionalising the WIDE approach** as policy-relevant research, an idea that has been part of the team’s thinking ever since the conclusion of WIDE3 in particular. In the concluding section of the paper I raise a number of questions that arise from this idea, and present initial thoughts on how they might be addressed.

## Part 1: Policy evolution 2010-16 and the GTP II directions

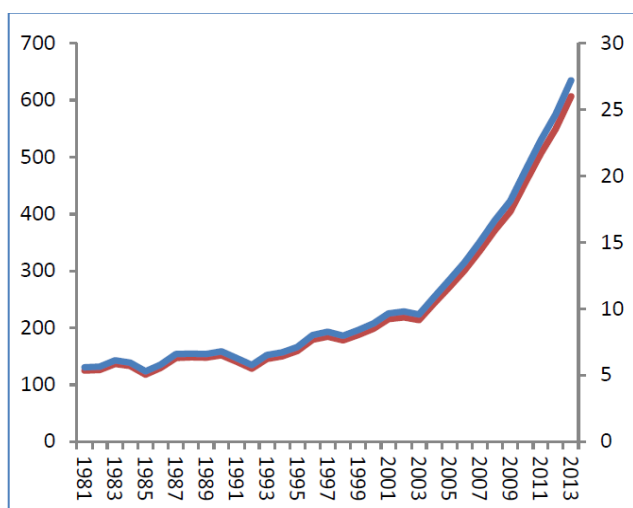
### The country context

#### A decade of high growth now slowing down

The WIDE3 research period (2010-2013) was part of a **decade of continued high economic growth (2004-2014)**, starting with a sharp rebound following the 2002/3 severe drought. In 2015 the World Bank could write (World Bank 2015b).

*Economic growth has been remarkably rapid and stable over the past decade. Real GDP growth averaged 10.9 percent in 2004-2014, according to official data. By taking into consideration population growth of 2.4 percent per year, real GDP growth per capita averaged 8.0 percent per year in this period. This substantially exceeds per capita growth rates achieved in the first decade after the country's transition to a market-based economy..., under the communist Derg regime..., and during monarchy... Droughts and conflict produced volatile growth patterns prior to 2004, but*

Fig 1 - Real GDP, Birr (left) & US\$ (right), World Bank 2015



*growth has been rapid and stable since then – an impressive performance from a historical perspective. Ethiopia's growth rate also exceeded regional and low-income averages over the past decade.*

The graph in Fig 1 shows the longer term GDP trend, and the sharp acceleration upward after 2004.

However, the GTPI and II objective of **reaching low middle-income status by 2025** remains a **challenge**, as illustrated for instance by the two graphs in Fig 2 and 3.

Fig 2 - GDP/capita in 2005\$ terms (World Bank 2015b)

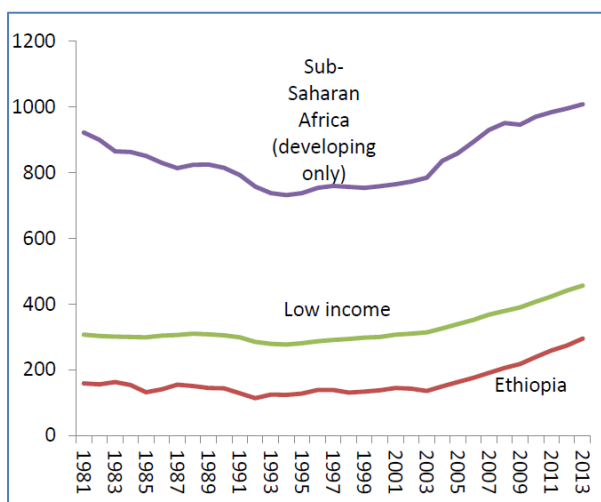
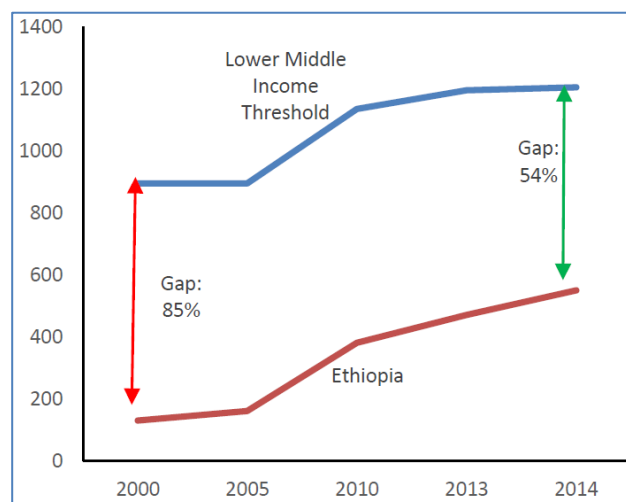


Fig 3 - Gap with low-middle income GDP/cap (World Bank 2015b)



The progress so far, however, is worth stressing - Over the **past decade and a half** the size of the economy (measured by the GDP) has tripled, and **average incomes have doubled** (Conway T., 2015).

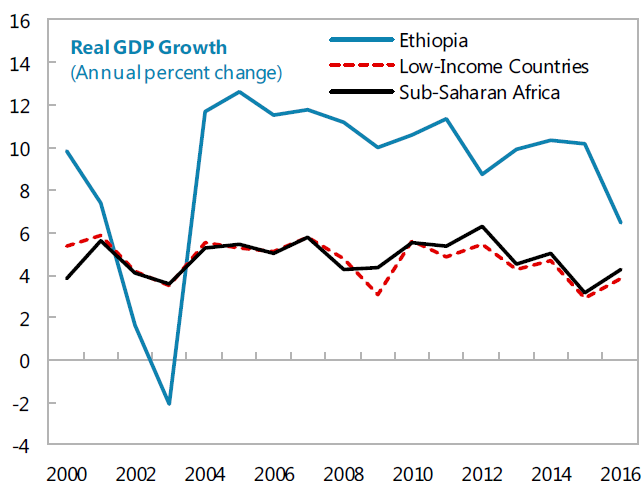
The Government of Ethiopia, while gradually evolving its macroeconomic and fiscal model over the past 25 years, has continued to follow heterodox policies. Most notably, public investment accounts for half of the 2004-2014 growth. The International Financial Institutions recognise that this **public investment-driven growth model** has been effective thus far. However, they and some Ethiopian economists are now **raising doubts** about whether it might be pursued further without major disequilibrium, and have been strongly stressing the need to adapt it in various ways (World Bank 2015b, IMF 2014, IMF 2016, World Bank 2016a, 2016b and 2016c, Alemayehu Geda and Addis Yimer 2014). Concerns, some of them shared by the government, include decreasing return on public investments and insufficient funding to operations and maintenance, high inflation, rising public indebtedness (part of which is hard to assess as major investments are made ‘off budget’ by State-Owned Enterprises), shallow financial markets and insufficient credit for private investment, an overvalued exchange rate lowering the cost of imports needed for public infrastructure development but dampening export competitiveness, a low and slow moving tax/GDP rate, and a gross domestic savings rate which more than doubled in four years (from 9.5% GDP in 2009/10 to 22.5 in 2013/14) but only marginally reduced the gap with the massive investment requirements associated with the GOE model.

Although growth was remarkably high it has also remained **largely dependent on agriculture**, with marginal change in GDP composition in recent years (see Table 1). The **slow pace of economic structural transformation** is recognised by the government, and one of the key aims of the GTP II is to ‘pursue aggressive measures towards rapid industrialisation’ with a view to accelerating this transition.

Table 1 – Sector contribution to GDP 2009/10 and 2013/14<sup>1</sup>

Sector	Base year (2009/10)	End year (2013/14) <sup>2</sup>
Agriculture and allied activities	41.6	40.0
Industry	12.9	14.2
Service sector	45.5	45.8
Gross Domestic Product	100	100

Fig 4- Growth slowing down since 2015



In the same vein, the **GTP I export target was missed by a very large margin** - the exports/GDP ratio reached 12.4% vs a target of 22.5%. This was partly explained by a drop in international prices of coffee and gold, Ethiopia’s major exports, and a generally deflated world-wide economic context. However, many observers reckon that there were also domestic supply side constraints limiting the pace of export diversification. Recent performance suggests that achieving the GTP II target (exports/GDP ratio rising from 12.8 to 20.6%) will be a big challenge, with a downward trend continuing over the last

<sup>1</sup> Over the longer term the GDP composition in terms of sector outputs changed, from 66% in 1991 to approx. 40% recently, but this is now plateauing. Moreover in terms of employment, in 2014 agriculture still accounted for more than three-quarters of employment, vs 15 percent in service sector and 5 percent in manufacturing.

<sup>2</sup> Data are not available for the final year (2014/15) of GTP I implementation.



four years (World Bank 2016c)<sup>3</sup>.

More generally, there is uncertainty about the **feasibility of reaching the GTP II growth target** necessary to reach low middle-income status by 2025 (11% average annually). While the IFIs reckon that the Ethiopian economy coped well with a difficult 2015/16 year marked by the El Nino drought and a drastically weaker global context, economic growth fell. By how much, and the medium-term outlook, are a matter of debate between the government and the IMF<sup>4</sup>. The latter reckon that the growth rate could rebound and stabilise around 7.5% for the medium term, assuming '*strong GTP II growth-oriented reforms*', whereas the government foresees a more favourable medium term outlook, owing to rising export volumes, completion of key infrastructure projects, measures to elicit export-oriented FDI, and international business commitments to invest in the new industrial zones (IMF 2016). In its most recent draft Economic Update the World Bank (2016c) highlights that unlike in previous drought periods, the growth rate was lower but remained positive; the economy should rebound, although the 2015/16 unrest might affect recovery trends. However, Ethiopia was not in the list of 23 'least developed countries' predicted in a recent UNCTAD report to make it to middle-income by 2025<sup>5</sup>.

### Striking development trends

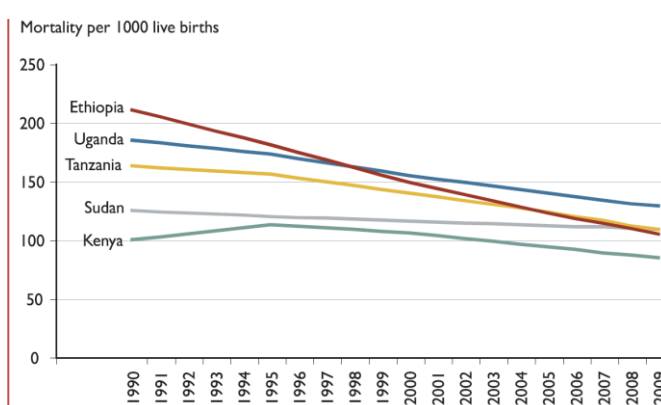
Alongside growth, Ethiopia also registered some **spectacular progress in key development indicators**, with many instances of trends exceeding comparable countries' performance. Here are a few select highlights, among many others and drawing on relatively recent data and studies.

Overall, **poverty incidence** measured by the population living under 1.25\$/day/capita (which is higher than the Ethiopian poverty line) fell from 56% in 2000 to 31% in 2011, which puts Ethiopia on a par with Senegal, where the GDP per capita is double that of Ethiopia (World Bank 2015a).

**Life expectancy**, from under 40 in 1960 and still only about 50 in 2000, had risen to 64 in 2011.

In **education**, the remarkable progress made in expanding enrolment first in primary school and later on gradually at higher level, is reflected among other indicators in a reduction of the proportion of the population that has no education at all. Among men this fell from 62% in 2000 to 38% in 2011 and 28% in 2016. In 2016 just about half of the women have not had access to any education, but this started from a very high rate of 77% in 2000.

Fig 5 - Under-five mortality rate 1990-2009 in Ethiopia & selected African countries (Balabanova et al. eds 2011)



The expansion of **services**, combined with wider dynamics gradually changing people's perceptions of them, has resulted in some strong performance in health and education. The graph in Fig 5 illustrates what some have described as the capacity of 'doing more with less' (Balabanova et al. eds, 2011). **Under-five mortality** has continued to steadily decline after 2009, and according to the DHS 2016 it now stands at 67 per 1000 live births.

Other key trends include an acceleration

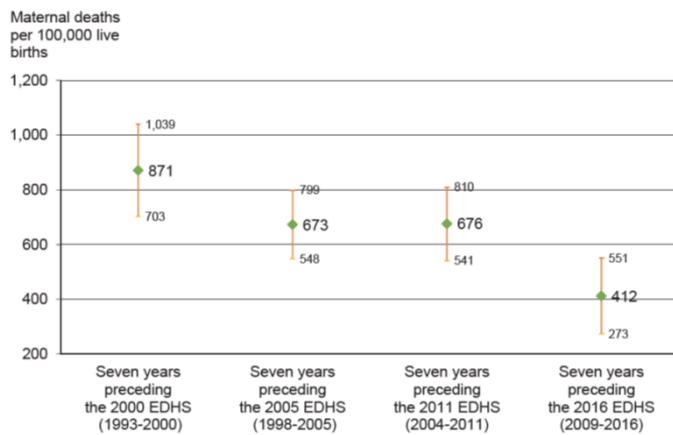
<sup>3</sup> Also see for instance [Ethiopia: Export Earning Sees 46 Million Br Decline](#), Addis Fortune 15 November 2016, accessed 4 December 2016.

<sup>4</sup> The IMF in its 2016 report estimated that annual growth in 2015/16 had been 6.5% (IMF 2016). The government preliminary estimates are higher, at approx. 8%, with a lower than expected impact on crop production according to CSA data released in July 2016 (World Bank 2016c).

<sup>5</sup> See [Ethiopia won't be middle-income, UN predict](#), Addis Fortune, 20 December 2016.

in the reduction of the **maternal mortality** rate (MMR) - all the more significant given that progress in this respect had lagged behind in the 2000s decade. Successive survey data shows that the maternal mortality rate for the seven-year period preceding each assessment (which had 'plateaued' from 2005 to 2011 after the initial progress made between 2000 and 2005) has now started to fall again as shown in Fig 6 below (Central Statistics Agency and ICF 2016, hereafter referred to as DHS 2016).

Fig 6 – MMR with confidence intervals for seven years preceding EDHS 2000, 2005, 2011 and 2016



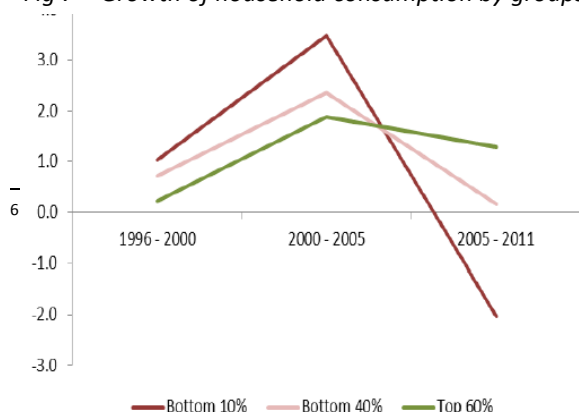
Trends are equally striking with regard to **family planning**. In 2016 reportedly 36 percent of married women a modern contraception method (from 6 percent in 2000). Use is higher among unmarried women who are sexually active (58%) and this proportion is higher among rural women (60%) than for urban women (56%). The DHS 2016 also shows that if all family planning unmet needs were met the contraceptive prevalence rate would be 58% for married women and 85% for un-married sexually active women.

Progress in **infrastructure development** has been striking. According to the World Bank, this and growth in urban demand “*have been essential complements to agriculture output growth to achieve poverty reduction*”, with the data showing that “*the positive impact of agricultural growth (on poverty reduction) was only found (in rural areas) close to urban centres of 50,000 people or more*” (World Bank 2015a). The WIDE research supports this point and shows that more generally, developments in infrastructure has been a key driver of multifaceted change in rural areas, far more connected to the outside world than a decade ago, and that the effects were more pronounced in better connected communities.

Road and transport development as well as the rapid expansion of mobile phone coverage are among the most significant trends, with effects ranging from easier access to markets and services to denser links with urban areas and changes in people’s outlook on their life. In particular, the Universal Rural Road Access Program (URRAP) led to two thirds of rural *kebeles* being connected by an all-weather road in 2013/14, up from 39% in 2009/10. On the whole, in 2013/14 the average time taken to reach the nearest all weather roads was almost a third of what it had been nine years previously (from 5.7 hours in 2004/5 to 1.8 hours). With regard to communications, the Ethiopian Socioeconomic Survey found that in 2014 at least one household member owned a mobile phone in 37.2% of rural households. In the country as a whole, the number of users increased from less than a million in 2004/5 to 28.3 million nine years later (GTP II)<sup>6</sup>.

*But progress has been uneven*

Fig 7 – Growth of household consumption by groups



The objective of the government is clear: high, but also broad-based growth. However, recent data and analyses suggest that there remain **large differences in development outcomes for different groups in the population**. This section

with 13.6 million internet users (Walta, July 13, 2016).

provides a few illustrations of this ex/inclusion issue.

Looking first at **consumption**, the World Bank found that *“the very poorest have not seen improvements—to the contrary, even a worsening—of consumption since 2005... Prior to 2005 the growth in consumption of the bottom 40% was higher than the growth in consumption of the top 60% in Ethiopia, but this trend was reversed in 2005 to 2011 with lower growth rates observed among the bottom 40 percent.”* The poorest decile actually experienced a decline in consumption, as shown in Fig 7. The World Bank further ventures that whilst high food prices had boosted the incomes of rural households producing surpluses, especially in communities better connected to markets, they had at the same time hit the poorest decile, producing little and largely depending on purchasing their food. Thus, *“high food prices perhaps offer an explanation for the pattern of broad-based growth with losses in the bottom decile observed in Ethiopia from 2005 to 2011”* (World Bank 2015a). These trends are unlikely to have significantly changed since 2011.

Looking beyond consumption, the DHS 2016 suggests that large gaps in development outcomes persist between **urban and rural areas** as well as **across Regions, income groups, and groups defined by their education level**.

Thus for instance, **under-five mortality**, standing at 59 per 1,000 live births in 2011, was more than three times higher in Benishangul-Gumuz (169) than in Addis Ababa (58), and almost five times higher for children whose mother had no education (121) than for those whose mother had secondary education (24)<sup>7</sup>. Comparing data from 2011 and 2016 also suggests that progress in bridging gaps is being made, but slowly – as shown for instance by the persisting large gaps between income or education groups, in proportions of **birth deliveries by a skilled professional** (Table 2) or in **access to/uptake of contraceptive** (Fig 8).

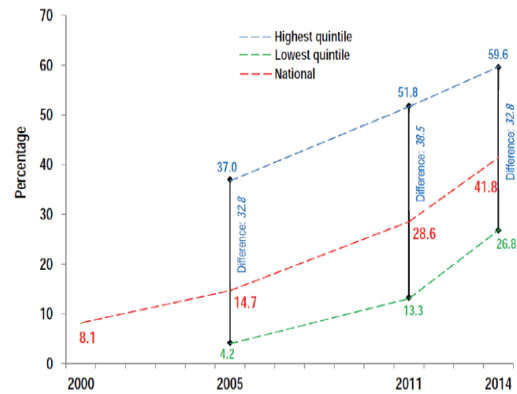
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<sup>7</sup> The same analysis based on the DHS 2016 data is not yet available.

Table 2 – Percentages of birth deliveries assisted by a skilled professional (DHS 2011, DHS 2016)

	2011	2016
Mothers with no education	5	17.2
Mothers with secondary educ	70	93.2
Poorest quintile	2	13.1
Richest quintile	45	66.9

Fig 8 – Contraceptive Prevalence Rate, lowest & highest quintiles (HTSP, FMOH 2016)



Income and education level also influences **women’s fertility** – the DHS 2016 shows that 13 percent of women aged 15-19 in Ethiopia have begun childbearing. However, while this is the case for nearly 3 in 10 women aged 15-19 with no education (28 percent) this proportion falls to 4 percent of those who have attained secondary education. Teenager childbearing also decreases steadily with wealth; 22 percent of teenagers in the lowest wealth quintile have begun childbearing compared with 5 percent of those in the highest quintile.

With regard to **education**, in 2011, Somali rural women had on average 0.2 years of education (up from 0.03 in 2000) while their average urban Tigrean counterparts had nearly completed the full primary education cycle, with 7.2 years of education (up from 2.4 years in 2000) (Lenhardt, A. and Emma Samman 2015). Unlike the Health Transformation Sector Programme (HSTP), the Education Sector Development Programme V (Ministry of Education 2016) does not analyse inequality in education achievements, but it is unlikely that these large differences would have significantly decreased since 2011.

Importantly, inequality is not just a macro level feature of development. Our research shows that **large inequalities** are also found in **microcosms such as the WIDE communities**. It furthermore suggests that whereas up to 2013, average incomes had risen in the communities, with economic growth and diversification, inequalities had also **increased**.

Moreover, while further analysis would be necessary to assess how the recent drought episode has influenced inequality trends, there is some ground for concern. It is noteworthy that the areas most badly affected are among the poorest in the country. And while the response to the drought prevented extreme levels of food insecurity, there are indications that the poorest income groups may have seen their already meagre assets more substantially depleted than better-off groups, with for instance proportionally much larger losses in sheep population, and also goat population in certain areas, than amongst cattle (World Bank 2016c).

As also shown in the WIDE research, there has been multifaceted progress with regard to **gender equity** although challenges persist too, as summed up by the slow progress made by Ethiopia in improving its rank in the World Economic Forum (2015) ‘gender gap closure’ index.<sup>8</sup> In 2016 Ethiopia, 109<sup>th</sup> on a list of 144 countries for which this index was compiled, was among the third worst performing countries, thus slightly better than in 2006 when it was among the fifth worst

<sup>8</sup> This index measures gaps in access to resources and opportunities rather than levels, as a way of delinking gender equity from countries’ levels of development. It is composed of four sub-indices focusing on 1) economic participation and opportunity (participation in the labour force, equal pay, participation in senior jobs etc.); 2) educational attainments (literacy and enrolment at primary, secondary and tertiary levels); 3) health and survival (life expectancy at birth and sex ratio at birth); 4) political empowerment (ministerial and parliamentary positions). See Ethiopia’s profile at <http://reports.weforum.org/feature-demonstration/files/2016/10/ETH.pdf> accessed 4 December 2016.

performing. Whilst the gaps between men and women were comparatively small in relation to survival and health and educational attainments, they were much higher in terms of economic opportunity and political empowerment.

As a social group, **youth** are also at a disadvantage, a challenge which policymakers have been increasingly aware of, and which the WIDE research unequivocally shows is not confined to urban areas. Youth transitions to adulthood have become more complex, as many young people fail to realise aspirations that have risen with the wider range of choices supposed to be available, due to failure at school, limited access to land for rural youth and widespread **unemployment or under-employment** in urban and rural areas. Cleland et al. (forthcoming) note that official unemployment in rural areas is negligible as it is a 'luxury' status reserved to the more educated middle-class youth who can depend on family support, but that more than a quarter rural people were complaining about underemployment already five years ago (Broussar and Tekleselassie 2012) – a figure likely be higher now. The WIDE research also shows that constraints on achieving successful transitions to adulthood were that much more difficult to overcome for young men and women from poorer households, and there is no reason to believe that this is less true for urban youth.

This is a major social and economic challenge. Considering the reduced fertility rate of the past few years, Ethiopia could benefit from the fact that its working age population will grow faster than the under-15 group and for a while this will offset issues arising from an ageing population. However, this 'demographic dividend' depends, in turn, on the extent to which the very large and still rising numbers of young people, better educated and with higher aspirations than in the past, will find decent employment and livelihoods options (Cleland et al. 2016). In 2014 the number of young people entering the labour market every year was estimated to be about 2 to 2.5 million (World Bank 2014). While a growing number of them have a university degree<sup>9</sup>, the World Bank reckon that (in urban labour markets) returns on education have fallen over the last decade; at the same time, there are not enough jobs created for those with primary and secondary education and insufficient investment in job training and skill training programmes. Moreover, job search costs are prohibitively high given the rudimentary technology mostly in use (World Bank 2016c)<sup>10</sup>.

Over the long term employment trends in urban areas are positive (urban unemployment fell from 22 percent in 2004 to 16 percent in 2014; over the same period urban underemployment fell from 52 percent to 43 percent), but both unemployment and underemployment still remain very high; the number of those entering the labour market keeps rising; and the characteristics of this group is changing (e.g. higher average education level, more migrants from rural areas alongside urban youth). In the past few years some progress was also made, with reportedly 5.5 million jobs created in the GTPI period through the government micro-and-small enterprise (MSE) programme, and another 1.5 million through the government-financed mega-projects (Wolday Amha and Tassew Woldehanna 2016). However, it is unclear how stable and sustainable these jobs are. The current trend in the transformation of the economy is also a compounding factor: international experience suggests that one should not expect the service sector, the fastest expanding in Ethiopia at the moment, to be able to absorb very large numbers of young people (Dani Rodrik 2014)<sup>11</sup>; yet despite government and policy emphasis, the manufacturing sector has been slow to develop thus far.

Key questions for the government include the following (Cleland et al. forthcoming, Federal TVET Agency 2014): what relative emphasis should be given to micro/small enterprise creation and self-

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<sup>9</sup> The Ministry of Education estimated that 500,000 young people had obtained a university degree in the five years preceding 2013/14 (Ministry of Education 2016). This number is likely to have steeply risen since then considering the current policy of higher education expansion.

<sup>10</sup> Data for Addis Ababa suggest that job seekers allocate an average 25% of their monthly expenditure for transport costs as they move from one to another vacancy posting board in specific locations in the city.

<sup>11</sup> Rodrik explains that in the service sector, high productivity services are skill-intensive, and growth often is incompatible with job creation as typically, sectors with best productivity performance shed labour.

employment versus creating jobs in large firms; should the informal sector (accounting for a large proportion of jobs) be protected, how much and for how long, and how to raise its productivity; how should the education sector be geared to better prepare young people for work (a number of studies, including by the government, stress that more emphasis should be given to the TVET sector); how to expand support to MSE development in rural areas (Pankhurst A. ed. 2017); and considering the ways in which very many make a living, especially in rural areas, how to support them in expanding their portfolio of activities as well as making these activities more profitable (Walton L. 2016). At the time of writing, the government had announced the launch of a new, cross-sectoral “*Ethiopian Youth Development Strategy*”, which reportedly, recognises rural unemployment as a major issue. All ministries are supposed to establish their own youth directorates, and one of the packages is as a 10 billion birr ‘youth revolving fund’. Further details are yet to be published<sup>12</sup>.

## The GTP II and selected policy shifts

### Comparing GTP I and GTP II

The Growth and Transformation Plan II (2014/15 – 2019/20) presents both some **strong continuities** and **noteworthy differences** with the GTPI. This section is not an exhaustive analysis of these trends, but rather an impressionistic overview through looking at three aspects: 1) the major GTPI and GTPII ‘pillars’; 2) the sectoral focus of the GTPII compared to GTPI and 3) the monitoring framework of the GTPII compared to GTPI.

#### GTP pillars

The table below looks at the **pillars (or main objectives)** of the GTPI and GTPII respectively, highlighting in a third column some of the key areas of focus of the GTPII under each pillar. Yellow shading highlights formulations that are new in the GTPII, or have been given more emphasis.

Table 3 – From GTPI to GTPII

GTP I Pillars	GTP II Pillars	GTP II Focus
Sustaining rapid and equitable economic growth	Sustaining the rapid, broad based and equitable <b>economic growth</b> and development witnessed during the last decade including GTP I	Creating decent jobs Tapping all three sectors – agriculture as major source of growth, accelerate industrial development, promote service sector.
Maintaining agriculture as major source of economic growth	Increase productive capacity and efficiency to reach the economy’s productive possibility frontier through rapidly improving quality, productivity and competitiveness of <b>productive sectors</b> (agriculture & manufacturing industries);	Expand small & medium enterprises with backward linkages with agriculture, to diversify manufacturing basis (emphasis on technology development and transfer and fabrication skills).
Creating conditions for industry to play a key role in the economy	Enhance the <b>transformation of the domestic private sector</b> to enable them become capable development force;	Kaizen and benchmarking in prioritised industries and exports. Strong emphasis on domestic private entrepreneurs wanting to invest in manufacturing (incentive packages); attention to domestic-foreign enterprises linkages. Further emphasis on MSE, transition to medium/ large-scale and transition from trade and service to production.
Enhancing expansion and quality of infrastructure	Build the capacity of the <b>domestic construction industry</b> , bridge critical <b>infrastructure</b> gaps with particular focus on ensuring quality provision of	Pursue import substitution strategy (reducing needs for forex). Promotion of private sector investment in infrastructure development in allowed areas. Special attention to infrastructure aligning national

<sup>12</sup> See [Blueprint to help Ethiopian Youth to take shape](#), Addis Fortune 20 December 2016.

GTP I Pillars	GTP II Pillars	GTP II Focus
	infrastructure services; Proactively manage the on-going rapid <b>urbanisation</b> to unlock its potential for sustained rapid growth and structural transformation of the economy ( <i>"Ethiopia is bound to face rapid urban growth. This requires proactive management and long-term planning"</i> ).	development with/ integrating it within regional and global development; boosting regional economic integration. Increase job opportunity, address housing problems, strong backward and forward linkage with rural development; road, water, electricity, adequate solid and liquid waste disposal management system. Building climate resilient urban centers, decentralised urban administration and finance and revenue collection system.
Enhancing expansion and quality of social development	Accelerate <b>human development</b> and <b>technological capacity building</b> and ensure its sustainability;	Expand accessibility & quality of education and health to create a skilled and competitive workforce to accelerate development. Emphasis on technological learning & technological innovation capabilities (R&D, research networking, implementation of national science & technology innovation policy & strategy).
Building capacity and deepen good governance	Continue to build democratic and developmental good governance through enhancing implementation capacity of public institution and <b>actively engaging the citizens</b> ;	Tax administration (including income registration), 'modern and effective urban development administration' (including property and land administration), customs system.
Promote gender and youth empowerment and equity	Promote <b>women and youth</b> empowerment, ensure their effective participation in the development and democratisation process and enable them equitably benefit from the outcomes of development;	Access to credit and ownership of productive assets. Gender equity in all dimensions. Aligning women and youth empowerment SDGs with all sector development plans.
	Building <b>climate resilient green economy</b>	Focus on climate change adaptation and mitigation of greenhouse gases through enhancing crop & livestock sector productivity, protection/ rehabilitation of forests, clean power generation and leapfrogging to energy efficient transport, industry and construction strategies.

### GTP sectors and issues

There have also been a number of interesting changes in the way topics are addressed, with new '**sectors**' and '**crosscutting issues**' emerging and some reorganisation in sectors/issues.

Table 4 – The GTP II sectors and crosscutting issues

Sector Development Plans
3.1 Economic Sectors
3.1.1 Agriculture and Rural Transformation
3.1.2 Industrial Development and Structural Transformation
3.1.3 Mining Sector Development
3.1.4 Economic Infrastructure Sector
3.1.5 Construction Industry Development
3.1.6 Urban Development and Housing
3.1.7 Trade



- 3.1.8 Culture and Tourism
- 3.2 Human Development and Technology Capacity Building
  - 3.2.1 Education and Training
  - 3.2.2 Health sector development
  - 3.2.3 Science and Technology Development
- 3.3 Capacity Building and Good Governance Plan
- 3.4 Public Participation, Strengthening Democratic system and National Consensus

**Cross-sector Issues**

- 4.1 Women Children and Youth Development
- 4.2 Sport Sector Development
- 4.3 Social welfare and Labour Affairs
- 4.4. Environmental Protection and Building Green Economy

Of note, the previously called infrastructure development sector is now more clearly demarcated between economic infrastructure, construction industry development, and urban development and housing. **Culture & Tourism** is now a full-fledged economic sector instead of a crosscutting issue, presumably reflecting hope that it might make a more important contribution to the service sector and the GDP in general. **Science & technology development** is also now a full-fledged sub-sector (instead of a crosscutting issue), in a broad sector also embracing education and health and renamed human development and technology capacity building (instead of ‘social development’ in the GTPI), presumably reflecting an even stronger focus on technology development as a necessary ingredient of the envisaged economic transformation and of the journey toward low middle-income status. The previously named ‘capacity building and good governance’ sector is now reflected into two sectors, which can be seen as focusing respectively on the government/state side on one hand (**Capacity Building and Good Governance**), and on the people side on the other hand (**Public Participation, Strengthening Democratic system and National Consensus**).

Unlike in the GTPI, population is no longer addressed as a specific issue/heading. However, the GTPII focuses on population growth through targeting increased contraceptive use and reduced fertility in the health sector. HIV/AIDS is also no longer addressed as a specific issue/heading but is integrated in health and as a main GTPII indicator.

GTP monitoring framework

And finally, there have been **shifts in the key indicators** that the GTPII will monitor compared to GTPI, likely reflecting new emphasis on some areas in the GTPII. Among others, there are two new indicators relating to the **financial sector** (number of bank branches and share of *kebeles* with MFIs), suggesting a strong emphasis on financial inclusion. Exports trends are no longer tracked through specific export-linked indicators (e.g. meat, flower, coffee, sugar, textile etc.) but through the **export revenues as a share of GDP**, for agriculture and manufacturing separately – a change that fits the intention of diversifying exports.

Other economic indicators also reflect a **sharper focus on industrialisation and economic transformation**. For instance in the GTPII, the government will specifically track the share of **manufacturing** in GDP (as opposed to ‘industry’ tracked in the GTPI, which included construction); as well as the number of jobs in medium/large scale manufacturing industries – which was not tracked in the GTPI. New indicators for **transport and logistics services** (also not tracked under GTPI) suggest that the government will pay greater attention to addressing long-standing logistical obstacles imports and exports. There has also been a shift in indicators for **urban and construction development**, with a new focus on jobs created and number of people on direct support under the urban safety net programme as well as “*green area development and public recreation land utilisation coverage*”. The number of urban residential houses constructed continues to be tracked.



**Food security** will no longer be monitored through tracking the number of households in the Productive Safety Net Programme (PSNP). This was supposed to significantly decline over the GTPI period, which did not happen, and was in fact further countered by the effects of the El Nino-induced drought. Instead, the government will now track the volume of food reserve available to the country. Shifts can also be observed in relation to monitoring **agricultural modernisation**. The effectiveness of extension services will no longer be tracked in terms of number of households being supported, but in terms of proportion of rural women farmers benefitting (planned to rise from 20% to 30%), and volume of improved seeds and chemical fertilisers actually utilised.

The government commitment to **green growth and climate change adaptation and mitigation** is reflected in new indicators related to Natural Resources Management in terms of areas of land rehabilitated, land developed with community-based watershed development and land developed with modern small-scale irrigation schemes<sup>13</sup>; and new indicators related to 'Climate Resilient Green Economy Development' (not tracked in GTPI) including number of households benefitting from green economy development technologies; volume of reduced green-house gas emissions; forest coverage (targeted to rise from 15.5 to 20% of the land area) and share of forest sector in the GDP.

In **health**, indicators reflect a strengthened emphasis on fertility reduction and contraception, nutrition, coverage of iodised salt provision, and coverage of improved toilet facility access (thus a more sophisticated hygiene and sanitation indicator than mere access to latrines or proportion/number of open defecation-free *kebeles*).

Overall, on one hand the GTPII reflects an understanding that *"the economy gets bigger and more complex"*, and indeed some concern that the capacity to deal with this increasing complexity may be wanting. On the other hand, it remains quite **traditional** in other respects and in particular, in the **strategies envisaged to make change happen** – for instance, emphasising *"social mobilisation"* around key undertakings such as the Grand Ethiopian Renaissance Dam (GERD), calling on people to act as a *"change army"*, stressing the need for a *"disciplined"* construction workforce; and more generally stressing the need for *"national consensus building"* and highlighting the role of the media in building it. The GTPII also continues to reflect an **ambivalent perception of the market forces**, for instance highlighting as a key threat the existence of a *"weak and less transparent market system which prevents producers and consumers mutually benefit"*.

### *Policy shifts over the longer term*

The previous section focuses on recent shifts or adjustments in policy, from the GTPI to the GTPII. In this section I look at policy evolution over a slightly longer period. Whilst not covering exhaustively the whole policy spectrum nor documenting trajectories in full detail, in this section I present an **impressionistic overview of policy evolution over the past decade or so, in a small number of important areas**.

One first evolution is the increasing policy attention to the urban world. Almost absent in the Sustainable Development and Poverty Reduction Programme (2002/3-2004/5) (SDPRP), mainly focused on rural development, **urban development** is now a major policy topic (with for instance a full-fledged sector plan in the GTPII, and much greater attention to job creation in urban areas in today's policymaking and programming). However, and although government policy documents mention rural-urban links, the rural and urban worlds are still primarily conceived as spatially and socioeconomically distinct, whereas the WIDE research highlights the increasingly blurred boundaries and denser connections between them, people's rising mobility, and the wide range of implications that these trends have in all domains (livelihoods, social development, ideas etc.).<sup>14</sup>

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<sup>13</sup> Medium/large-scale irrigation continues to be tracked under infrastructure development as it was under GTPI, whereas small-scale irrigation development was not tracked.

<sup>14</sup> See Bevan, *Rurbanisation, urban expansion, and thickening rural-urban links (2010-13)*, in Pankhurst, A. ed. 2017. Several other chapters also highlight these trends.

**Education** is an area in which over the years, the **focus** has not so much changed but **expanded**, with consequently a more dispersed policy attention. From an almost exclusive focus on Universal Primary Education in the SDPRP period, the focus expanded to embrace secondary education (as a logical next step as larger cohorts of children completed primary education, although the primary school completion rate has remained stubbornly low) as well as higher education and in particular, expansion of the university sector. From a handful of universities in the SDPRP period, the country now counts more than thirty public universities and numerous private higher education institutions. More recently there has been an additional focus on Early Childhood Care and Development and pre-school in particular. What is less clear, however (for instance from the Education Sector Development Plan V), is the extent to which these policy developments also address the fundamental question of ‘education for what’. Yet, the WIDE research and others suggest that this is becoming an increasing concern for many, and the sector needs to further evolve in how it prepares young people for work<sup>15</sup>.

In **health** the last decade saw an evolution towards **increasingly specialised policy attention**. Building on the achievements seen with the rollout of the wide-ranging preventative health, hygiene and sanitation-focused Health Expansion Programme in the mid- to late 2000s, policymakers turned their attention on ‘lagging behind’ areas. Three of these stand out, namely, 1) family planning, 2) maternal and infant health, and 3) nutrition. As noted earlier there has been progress in all of them, and positive trends seem to accelerate (with the expansion of secondary education likely buttressing the effects of specific health and nutrition interventions). However, further progress, especially with regard to maternal and child health, may require greater recognition of the big differences in access to services that continue to exist, especially in rural areas<sup>16</sup>, and a shift away from an exclusive focus on policy solutions, such as birth delivery in health centres and hospitals, which ignore the range of constraints on access that will take time to subside<sup>17</sup>.

The **agriculture** sector moved away from a quasi-exclusive focus on standard crop extension packages and food insecurity (a milestone in this was the start of the Productive Safety Net in 2005) toward increased attention to **innovation** and to developing agricultural **growth potential** areas, and greater recognition of the **diversity** of potentials across the country. These trends are reflected, among others, in the creation of the Agricultural Transformation Agency in 2010, the design and implementation of the Agricultural Growth Programme since 2011/12 and greater attention to non-traditional cash crops and livestock in the GTPII. Other examples include the ATA-led soil mapping exercise leading to differentiated fertiliser formulae, and the promotion of different irrigation and drainage technologies to access “*at least one water source option at household level*”<sup>18</sup>.

The most recent intention of structuring agricultural development and government support around area-specific Agriculture Commercialisation Clusters (ACCs) is also a response to diversity, and the concept also highlights the importance of going beyond raising farm productivity and paying attention to input and output markets and links to value chains<sup>19</sup>. However, there is also a risk that with its strong focus on specialisation at area level and on large-scale agro-processing investments<sup>20</sup>,

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<sup>15</sup> Dom 2017, *Education in rural Ethiopia (2010-13): aspirations and uncertainties* in Pankhurst, A. ed. 2017, Cleland et al (forthcoming).

<sup>16</sup> Bevan 2017, *Reproductive health and well-being: mothers and infants (2010-13)* in Pankhurst, A. ed. 2017.

<sup>17</sup> Bevan highlights, among others, inadequate supply, remoteness, poverty, and personal choice.

<sup>18</sup> See <http://www.ata.gov.et/programs/sustainable-inclusive-growth/irrigation-drainage/>

<sup>19</sup> “An agro-based cluster is simply a geographic concentration of producers, agribusinesses and institutions engaged in the same agricultural or agro-industrial sub-sector, that interconnect and build value networks when addressing common challenges and pursuing common opportunities.” (ATA October 2015 Briefing).

<sup>20</sup> See for instance [Ethiopia: Integrated Agro-Industrial Parks for Sustainable Development](http://www.2merkato.com/news/alerts/4075-ethiopia-to-establish-agro-processing-industrial-parks) (Herald Tribune 24/06/2016), talking about four such parks being established in Tigray, Amhara, Oromia and SNNP and a total of 17 parks planned to be developed. <http://www.2merkato.com/news/alerts/4075-ethiopia-to-establish-agro-processing-industrial-parks> (4 September 2015) talks of a total capital investment of US\$2.5 billion.

the ACCs approach might go against diversification at individual level<sup>21</sup>, which the WIDE research identified as a critical factor of economic success in rural areas<sup>22</sup>, and might overlook the value of supporting localised investment in smaller-scale value chain development and agro-processing, which we believe has great potential<sup>23</sup>.

Policy related to **industrialisation** has markedly evolved since the Agricultural Development-Led Industrialisation flagship strategy developed in the late 1990s. Partly out of necessity in light of the need to create larger numbers of non-agricultural jobs for the growing working-age population (see above), the attention has gradually focused on a number of complementary entry points to industrialisation, including support to the development of non-traditional export products and markets (e.g. horticulture and leather mentioned in GTPI), the establishment of large-scale industrial parks (GTPII plan to make available “7 million square meters (of) land for investors engaged in manufacturing and related sectors”), and support to both micro/small and small/ medium enterprise development, with the ideas of MSEs graduating into SMEs and of linking SMEs to large-scale manufacture industries.

However, there remains questions on a number of aspects of these strategies. Notably, some recent studies suggest that micro/small enterprises rarely graduate into larger-scale operations (Wolday Amha and Tassew Woldehanna 2016). Yet wage labour, under the conditions currently prevailing in most manufacturing plants, is rarely perceived as satisfactory (“most applicants quit the sector quickly, finding industrial jobs unpleasant and risky”) whereas self-employment, when adequately supported, is seen as preferable to industrial work (Blattman and Dercon 2016). Moreover, WIDE suggests that significant industrialisation and job creation potential may be overlooked as thus far, there is little support to MSE development and small-scale processing investments in rural areas<sup>24</sup>.

As a final illustration, the last decade also saw a significant policy shift with regard to **social protection**. In the mid-2000s the Productive Safety Net Programme, developed primarily to address the chronic nature of food insecurity in historically vulnerable areas of the country, paved the way to recognition that some individuals and households needed unconditional support to have a decent life, and that it is the state’s responsibility to ensure that such support is availed<sup>25</sup>. This was a significant departure from the Developmental Social Welfare Policy (1996) stressing the primary role of the community in supporting its most vulnerable members.

Further shifts have occurred since the PSNP inception. The government has now adopted a Social Protection policy (2014). The government has also recognised that highly vulnerable individuals and households need tailored support regardless of where they live: the PSNP is due to be gradually expanded to all rural areas of the country, and an urban productive safety net programme is at inception stage with a view to addressing vulnerability in urban areas. There is also increasing policy attention to developing/expanding health and livelihood-related insurance schemes as a protection against shocks. Yet, it remains to be seen how these and other initiatives will be brought together under a comprehensive strategy, whilst the GTPII does not mention social protection as such.

### **Government – Development Partners’ Dialogue**

In this section, finally, I take a look at the evolution of the policy dialogue between the government and development partners active in Ethiopia, focusing successively on two periods: 1) the WIDE3 period during which I have looked at this dialogue in preparing the policy review papers at inception of each stage, in 2010, 2011 and 2013; 2) the most recent years since 2013.

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<sup>21</sup> See GTPII, the 4 pilot agro-industrial parks will be “linked to millions of smallholders for input supply”.

<sup>22</sup> Tefera and Dom, *Insights on economic success in rural communities in 2010-13*, in Pankhurst, A. ed. 2017

<sup>23</sup> See Bevan (rurbanisation) and Tefera and Dom (economic success) in Pankhurst, A. ed. 2017.

<sup>24</sup> See Pankhurst (youth transitions), Bevan (rurbanisation) and Tefera and Dom (economic success) in Pankhurst, A. ed. 2017.

<sup>25</sup> The PSNP provide ‘Direct Support’ for individuals/households unable to work in exchange of the transfers.

### *Highlights over the WIDE3 period (2009-2013)*

**In early 2010** the 1998-2000 war with Eritrea and the troubles following the 2005 elections were still present in all memories, although responses to these events had by then been integrated in the way development partners were working with the government. The 2000s decade saw development partners come together and support the Productive Safety Net Programme. Moreover, and although this had not been without strong tensions, donors had shifted from direct budget support (DBS) to the multi-donor Protecting Basic Services, and there was an emerging recognition of the intrinsic value of this new instrument as opposed to it being a mere substitute to DBS. That said, it was clear that the Government of Ethiopia and development partners had **different development models**, both in terms of what is aimed at, and the means of reaching the desired transformation. There were (and still are) areas of consensus and **convergence**, and others where **divergence** was stronger<sup>26</sup>.

**In 2011** the Growth and Transformation Plan I (GTPI) had just been finalised, with what was perceived to be significantly less consultation of development partners than for previous plans but in contrast, a more structured process of consultation with the Regions. The focus by then was a **debate on the 'do-ability' of the GTPI**, with development partners unanimously expressing concerns. This seemed to dominate the dialogue to such an extent that there was relatively little discussion on substantive policy matters, even though the GTPI featured a number of noteworthy shifts. However, flagship programmes such as the PSNP and PBS continued to offer spaces for dialogue on broad policy areas, including in-depth discussions when they were re-designed between funding phases. There was also a widening array of 'joint reviews' of sectors and programmes (with e.g. the more recent process of annual reviews of the agriculture Programme Investment Framework, while the more established annual reviews of the education and health sectors have continued to be carried out to date)<sup>27</sup>.

**In 2013** what struck me was the seemingly increasingly prominent **place given to non-traditional partners in government discourse and in terms of fund flows** – including non-western donor countries, philanthropic aid and global 'climate financing', and reflecting a broader trend whereby a number of developing countries were successfully diversifying their development partnerships (Prizzon and Rogerson 2013). In the case of Ethiopia, over the past decade non-DAC (mainly China, India and Turkey) and recent DAC (South Korea) countries had expanded both their financing and technical assistance and were reportedly appreciated for their speed in implementation, lack of conditionality and support to government heterodox policies, as well as their commercial and private sector activities alongside development ones. Ethiopia had also been able to mobilise increasing volume of assistance from philanthropic organisations, notably the Bill & Melinda Gates' Foundation, and climate financing.

In the 2013 policy review update, I also offered some reflections on the extent to which the government had remained in control of the policy agenda. I discussed the case of social protection, which on one hand, might have been seen as an example of the gradually increasing policy influence of development partners. On the other hand, the government was keen to also link this to the African Union-led process of developing a 'Social Policy Framework for Africa'. The draft policy went through numerous iterations and it was not approved before 2014<sup>28</sup>. Still today, Government may retain reservations about the concept, as illustrated by the fact that as noted earlier, social protection as such does not figure in the GTPII. However, practical initiatives are taking off such as

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<sup>26</sup> See Dom, C. 2010. [Macro level policies, programmes and models entering rural communities: 2003-2009](#), for a more detailed overview of the status of the dialogue in 2010.

<sup>27</sup> See Dom, C. 2012. [Macro level policies, programmes and models entering rural communities: an update in 2011](#), for an update in 2011.

<sup>28</sup> See Dom, C. 2014. [Macro policies, programmes and models entering rural communities: an update in 2013](#).

the productive safety net for urban areas and the planned massive expansion of the Community-Based Health Insurance scheme.

### *Highlights since 2013*

Looking at the most recent period since 2013, a number of points stand out. *First*, there was **not more consultation** of development partners in the course of **preparing the GTPII 2015/16-2019/20** than there had been for the GTPI. At the time of writing this paper, the final version of the GTPII is not yet available in English, and the draft version is much shorter with far fewer details on sectoral plans than was the case for the GTPI. In the meantime, the lead in drafting the plan had moved from MOFED (now renamed MOFEC) to the recently re-established National Planning Commission, and it would be understandable that, in its inception stage and with possible capacity constraints, the NPC would have given priority to internal consultation processes. The year 2016 has also seen the government preoccupied on other domestic fronts.

That said, besides the GTPII process two important moments in the dialogue were the launches of the World Bank Poverty Assessment 2014 report (World Bank 2015a) in early 2015 and the UNDP National Human Development Report (UNDP 2015) a little later. There were marked differences in the tone of the discussions at these two events. Whilst in substance the two reports similarly highlight on one hand **progress in reducing poverty** and on the other hand **challenges** in ensuring that growth is broad-based (see above), the UNDP report is unmistakably more critical in its tone. It was much less favourably received by the government officials attending the launch<sup>29</sup>, suggesting that tone matters in engaging with government over such sensitive issues<sup>30</sup>.

The succession of recent ‘macro papers’ prepared by the International Financial Institutions suggests that there continue to be **divergences** between IFIs and the Government over a number of **macro-economic and structural reform-related issues**<sup>31</sup>. In the past few years both the World Bank and the IMF have been more systematically supporting their arguments with evidence drawn from countries of interest to the government (such as for instance China in relation to exchange rate policy in World Bank 2016c, or South Korea in World Bank 2015b) and through scenarios based on models calibrated to capture key features of the Ethiopian economy. So far there has been no sign that external advice, even geared in this way, might gain more traction<sup>32</sup>.

The Productive Safety Net Programme and the Protecting Basic Services programme, which have been presented in international development circles as emblematic of a successful partnership<sup>33</sup>, have seen different trajectories in recent years. A fourth iteration of the **PSNP** has been launched in 2015. Each re-design has included notable **policy developments** in relation to protection of the most vulnerable and support to rural livelihoods. An example of the former is how the responsibility for the ‘direct support’ component has transitioned from under the Ministry of Agriculture/Food Security to the Ministry of Labour and Social Affairs. In relation to the latter, the “*complementary livelihoods services*” for PSNP “*client households*” are now supposed to offer, besides support to

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<sup>29</sup> See for instance <http://addisfortune.net/articles/undps-human-development-report-deems-ethiopias-growth-non-inclusive/> and <http://www.et.undp.org/content/ethiopia/en/home/presscenter/articles/2015/04/29/highlighting-issues-for-inclusive-and-sustainable-growth-for-ethiopia-national-human-development-report.html>.

<sup>30</sup> It is also noteworthy that the UNDP report had for the first time computed regional HDIs and this showed some stark gaps between Regions. The WB Poverty Assessment mentions regional differences but dwells less extensively on this than on differences between income groups, with special attention to the bottom 10%.

<sup>31</sup> IMF 2014, 2015 and 2016, World Bank 2015b, 2016a, 2016b and 2016c.

<sup>32</sup> The recent World Bank Ethiopia Public Expenditure Review (World Bank 2016b) is another case in point of the importance of tone – with the title ‘*Decision Time: Spending More or Spending Smart*’, found in drafts up to November 2015, finally dropped in the publicly released version.

<sup>33</sup> See for instance [this presentation made on PSNP and PBS as two case studies of development effectiveness](#), at the High Level Forum on the Paris Declaration in Busan, 2011.

improving crop and livestock production, support to engage in off-farm income generating activities and labour/ employment linkages. The **partnership** around the PSNP is as strong as ever and although the programme is in its infancy, a new partnership may emerge around the urban PSNP mentioned above.

In somewhat of a contrast, there have been **tensions around the PBS** as a number of international advocacy groups claimed that it was intimately linked to the implementation of some government policies – notably resettlement in lowland areas - perceived as coercive<sup>34</sup>. This reached a point where some of the longest-standing development partners have discontinued their support to the programme<sup>35</sup>. The World Bank has led a smaller group of donors in developing with the government an *‘Enhancing Shared Prosperity through Equitable Services’* as a successor programme. The ESPES is said to pay greater attention to equity and safeguards, through for instance strengthening grievance and redress mechanisms, as well as increased focus on fiduciary probity through a parallel PFM strengthening programme. This has nonetheless continued to be criticised as a mere ‘renaming of the PBS’ without addressing the concerns that had been raised against it (see for instance The Oakland Institute 2016).

As one of the areas where there might be less convergence than divergence, the period was also marked by the successive closure of a number of programmes financed by “traditional partners” in the governance arena. Cases in point are the large-scale Public Sector Capacity-building Programme (PSCAP), which encompassed notably support to decentralisation, civil service reform and justice reform, and was finally not extended after 2013; the same happened after five years for the 2008-2013 Democratic Institutions Programme (DIP). Simultaneously, non-western partners have been providing support to the rollout of approaches such as Kaizen in both government administration and the business arena.

Finally, a number of development partners have started experimenting with **‘results-based aid’** in one form or another, including the ESPES which has been designed as a World Bank Programme-For-Result (P4R), the first of that size in Ethiopia. While RBA programmes are still rare and in their early days<sup>36</sup>, there have been a number of warning signals with regard to, notably, the difficulty of designing an incentive system that adequately fits the complex federal fiscal governance structure of Ethiopia. More fundamentally, and as raised by a number of longstanding observers, one may question the value added in incentivising in this way a government that is already ‘working to targets’. Moreover, this approach can also create perverse incentives and even if the incentive effect is weak, it may lead to certain sectoral objectives being foregrounded, which may not always be the most relevant from a wider perspective or over the longer term<sup>37</sup>. There is also a risk that in a

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<sup>34</sup> See for instance <https://www.icij.org/blog/2015/01/leaked-report-says-world-bank-violated-own-rules-ethiopia> (20 January 2015) and International Development Initiative 2015.

<sup>35</sup> These include DFID and the EU. DFID has formally linked their fairly abrupt decision of stopping funding for PBS to broader shifts in their Ethiopian portfolio (see <https://www.gov.uk/government/news/uk-support-to-ethiopia> 25 February 2015), although this was received with a degree of scepticism (see e.g. <https://www.theguardian.com/global-development/2015/feb/27/british-support-for-ethiopia-scheme-withdrawn-amid-abuse-allegations>, 27 February 2015). The EU has presented its decision as a way to concentrate resources through a Sector Reform Contract focusing on health – hence it remains one of the “core donors engaged in providing financial aid for basic service delivery, both within and outside of the traditional PBS framework” (internal PBS Secretariat documentation, 2016).

<sup>36</sup> RBA programmes in Ethiopia include the now completed DFID pilot RBA programme in education (which will not be taken forward, see Cambridge Education 2015) and the World Bank ESPES, Health MDG support, and Local Government Development II P4R. The health P4R succeeded to support that was provided as a non-decentralised component of PBS. The LGD programme supports municipal infrastructure development. See <http://www.worldbank.org/en/programs/program-for-results-financing#2>

<sup>37</sup> The DFID RBA pilot in education is a case in point, as arguably, the relevance of driving ever more students to complete general secondary education must be weighed against the “education for what” and employment issues raised earlier in this paper.

resource-constrained environment such as Ethiopia, result-based aid may work against the shift to more bottom-up, consultative and learning policymaking and implementation approaches that the WIDE research suggests are now needed to make further progress in many areas<sup>38</sup>.

Overall, trends since 2013 point to ongoing assertiveness and ownership of policy making by the government, and the continuation of an approach to dialogue and partnership in which recognition of its policy leadership is a prerequisite.

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<sup>38</sup> See Dom and Pankhurst in Pankhurst, A. ed. 2017.

## Part 2 – WIDE policy engagement

In this section I briefly outline how WIDE3, conceived as a policy-relevant research, has so far engaged with policymaking and implementation and I draw some possible lessons for the future, which are in turn picked up in Part 3 when thinking about institutionalising WIDE.

As should be clear from the brief account of the government/development partner relationship given above, the **Government of Ethiopia** is intent on retaining ownership and leadership in **policymaking and implementation** – as should indeed be the case in line with the successive Paris and Busan statements. This has not changed over the WIDE3 research period, as reflected by the two quotes below, one from 2007 and the second from 2013, and strikingly similar in their description.

- *Government is... more assured of its own directions, of its entitlement to set the development agenda, and of its stature vis-à-vis donors than are the governments of many other low-income countries...* Furtado & Smith, 2007. Ethiopia: Aid, Ownership, and Sovereignty
- *The government has successfully retained full control of its development strategy, vis-à-vis both traditional and non-traditional development assistance flows, resisting external attempts to put in place greater policy engagement (or conditionality)...* Prizzon & Rogerson, 2013. The Age of Choice: Ethiopia in the new aid landscape.

As a team, we were well aware of this characteristic of government's approach.

### An evolving process

WIDE1 and WIDE2, undertaken in 1994 and 2002 respectively, were more academically oriented research projects both in their design, and funding. In contrast, **WIDE3** was undertaken from the outset as a **policy-relevant** academically rigorous **research project**, and was funded in-country by some of the government development partners<sup>39</sup>. We were quite clear that our intention to be policy-relevant meant that **we had to engage primarily with the government** as the prime policy actor in Ethiopia. However, we had little idea of how to go about this. In many contexts the research-policy link is not straightforward, and Ethiopia makes no exception to this pattern. So we did not have much experience to draw on, be it from previous WIDE projects or from other research projects undertaken in Ethiopia. Alongside research undertaken on their own funds by universities, research in Ethiopia is mainly externally funded, and research outcomes are generally disseminated to mixed audiences including government officials at various levels and development partners. As is briefly outlined below, **WIDE3** sought to **try a different approach**.

#### *WIDE3 – Navigating policy engagement almost from scratch*

At first, we thought that being presented as a World Bank-managed research project would be sufficient to both conduct fieldwork and disseminate the WIDE findings. We rapidly realised that this would not allow us to reach our policy relevance objective, and with the help of personal contacts, obtained **endorsement at the highest level** in the form of a letter signed by Ato Newai Gebreab in his capacity of Director of the Ethiopian Development Research Institute (EDRI) and Senior Economic Advisor to the Prime Minister, introducing the WIDE research to all government levels that might need to know about it. We then sought to engage with government throughout the WIDE3 and post-WIDE3 transition period (2009-2016), which this initial endorsement, alongside other factors such as personal links with senior officials in EDRI, greatly facilitated. EDRI kindly provided further support, most notably organising many of the dissemination events we had with the government.

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<sup>39</sup> Our funders for WIDE3 were DFID, the Canadian Embassy and the Embassy of the Netherlands. The funds were managed by the World Bank under a Trust Fund called Joint Governance and Accountability Measurement (JGAM).



Early on we realised that while there is dialogue between the government and development partners, the two groups of interlocutors have rather **different models of how development should be pursued** – often making the dialogue guarded and at times, somewhat confrontational. This led us to decide that it would be preferable to **engage separately** with GOE on one hand, and development partners, NGOs and other stakeholders on the other hand, with a view to eliciting a more genuine feedback especially from government officials. We also rapidly realised that **engaging with senior levels** was often more productive as less senior officials tended to be more defensive when findings suggested that practices or events on the ground might diverge from what was ‘supposed to happen’ as a result of policy.

#### Four ways of engaging with Government

We used four ways of engaging. *First*, at different points in time EDRI kindly organised a number of **seminars** to which government officials from a **range of ministries and agencies** were invited, at state minister level, and where we presented research findings ‘across the board’. While this was useful to raise awareness of the existence of the research, at each event only a few state ministers attended and, possibly also due to the wide-ranging nature of our presentations and limited time, there was relatively little discussion.

*Second*, we held a number of a **face-to-face meetings with state ministers and ministers** who had expressed a particular interest. This was relatively rare but allowed more substantive engagement on issues that our interlocutors had picked up from the findings presented to them. We also were invited for a brown bag lunch meeting with the Agricultural Transformation Agency to give a talk focusing on WIDE findings and suggestions relevant to the ATA mandate and programmes.

*Third*, in some cases we were able to **share brief documents** ahead of these meetings, focusing on likely areas of interest for our interlocutors, which usually made the discussion more interesting and focused as well.

And *finally*, building on this experience, towards the end of WIDE3 the idea came that it might be **more fruitful for government if we engaged around specific topics**, selected for their policy salience and on which we felt confident that the WIDE research might throw some further light. Topic-specific discussion briefs could be prepared as a basis for high level discussion, in events organised specifically for this. This ‘discussion brief’ process is further outlined below.

Table 5 presents an overview of events held on of the government and donor sides respectively, with just one joint event. (Shaded lines indicate events held with government only; the joint event is in italic fonts).

Table 5 - Bifurcated development models and conversations

Date	Engagement with government and Development Partners 2009-2016
Nov-Dec 2009	Workshops/meetings (4 DP groups) to present WIDE3 Stage 1 plan, consult on topics of interest
April 2010	Presentation of early findings from Stage 1 to the Netherlands Embassy, at their request
June 2010	Meetings/workshops to discuss Stage 1 main preliminary findings (6 DP groups, different sectors)
Sep 2011	Meetings to present Stage 2 plan and consult on key topics of relevance, with 7 donor groups
Dec 2011	Workshop for GOE officials (various agencies): Stage 1 findings, plan for Stage 2
Feb 2012	Meeting with State Minister MOFED: Stage 1 key findings, Stage 2 plan
June 2012	Dissemination meetings/workshops on Stage 2 main findings for discussion, with 6 donor groups
June 2012	Workshop for GOE officials (various agencies): Stage 2 preliminary findings, plan for Stage 3
Feb/Mar 2013	Consultation meetings to present Stage 3 and consult on key topics of relevance, with 2 donor groups
May 2013	Focusing on Stage 2 findings and ongoing Stage 3 research with DFID
Oct 2013	Meetings/workshops on Stage 3 first fieldwork findings to consult on final fieldwork focus, 3 groups
Oct 2013	Separate meetings with State Minister MOFED and Minister of Agriculture: Stage 2 & Stage 3 findings

Oct 2013	Joint government/donor Rural Economic Development/Food Security (RED/FS) workshop for feedback on WIDE discussion briefs Series I related to livelihoods (organised by RED/FS Secretariat)
Mar 2014	High Level Discussion Forum on Policy Implications of WIDE3 research findings (focus on 5 topics) – with senior government officials including GTPII lead designer (National Planning Commission)
March 2014	Discussion Forum on WIDE3 briefs – with World Bank and other donors
Dec 2014	Bilateral meetings with DP groups: Heads of Agencies (DAG), interested agencies (DFID, Irish Aid, SIDA) – leading to agreement on ‘transition phase’ including preparation of 9 more topic-specific briefs
Dec 2014	Meeting with MOFEP State Minister to confirm GOE interest in topics, and in seeing WIDE taken forward
Sep15- Mar16	Close consultation with Ethiopian (non-government) peer reviewers, selected government-associated think tanks and senior officials for the various topics/briefs
Mar 2016	High Level Discussion Forum on 9 topics – with senior GOE officials and GOE-linked think tanks
Mar-Sep 2016	Meetings with DPs (agencies and groups) to present 9 analyses and table ‘next steps’ ideas
Sep 2016	Brown bag lunch with Agricultural Transformation Agency on selected topics of relevance to ATA programmes
Planned	WIDE Book launch

### *The ‘WIDE Discussion Briefs’ as entry points*

As just mentioned, in particular since 2013 while we were completing the WIDE3 final six community studies, we sought ways to use the WIDE evidence more directly to inform policy-making and implementation.

#### Discussion Briefs, Series I

Around mid-2013, following discussions within the team, with a few interested government officials and with a few donors actively following the WIDE progress, we came up with the idea of producing topic-focused briefs, based on the WIDE evidence and that would be written specifically for an audience of senior government officials. Our sponsors agreed to provide funding to this effect. We had identified **six topics** in the course of informal discussions, mainly with government officials. For this first series of briefs it was agreed that it could be interesting if they were written not by ourselves, but by individuals external to the research, interested by the type of evidence that WIDE provided and who had the relevant policy and practice experience in relation to the topics. They were identified by the team and recruited by the World Bank as fund manager. The WIDE team provided guidance and inputs to the drafting. Table 6 below briefly presents the five briefs that were finally prepared and their authors<sup>40</sup>.

*Table 6 – The WIDE Discussion Briefs, Series I*

Unlocking Agricultural Growth	Dr Girum Abebe, economist, Economic Policy Analysis Unit/ Ethiopian Development Research Institute (EDRI) <sup>41</sup>
Farming and Value Chains	
Work Creation for the Rural Youth	
Equitable Service Delivery	Beverley Jones, social development adviser
Models and Realities of Transformation	Dr Sarah Vaughan, political scientist

The process culminated in a ‘**High Level Discussion Forum**’ organised in **March 2014**, convened by the World Bank Country Director and inviting senior Government officials at Minister and State Minister levels, with a focus on ministries and agencies most likely to be interested by the topics addressed in the briefs. Relatively few, but very senior officials responded to the invitation, some of

<sup>40</sup> A sixth topic, about “Transforming lives: women and men, girls and boys” (by Dr. K.J. Kaye, gender specialist), was also identified but as explained in the text, was finally not presented to Government.

<sup>41</sup> Girum Abebe was assisted by Teklay Eden, also from EPAU/EDRI, for one of the three briefs.

them having read the brief summaries ahead of the event. Notwithstanding the presence of World Bank representatives the event took the form of a ‘closed door discussion’ between those few senior officials, the research team and the consultants who had produced the draft briefs. Government officials engaged with the findings and reflections and expressed appreciation for the WIDE approach.

However, the process had **not been without challenges**. Notably, the authors had to familiarise themselves with a massive amount of data - for several of them, of a type they were not familiar with (qualitative ‘micro-level’ evidence), and the time imparted to draft the briefs did not fully account for this. The authors and the WIDE team would also have benefitted from more interaction to work out their respective roles in the drafting process, and to engage and agree on the scope and especially, the approach of the briefs. For instance, the WIDE team strongly felt that given the audience the tone mattered as much as the content, and this led to some difficulties so that one of the topics was finally not presented to government<sup>42</sup>. Finally, there was a lack of clarity on who had the final review role, between the World Bank and the WIDE team. Both the team and the authors of the briefs felt that the review process organised by the WB had not been particularly helpful as reviewers were generally not familiar with Ethiopia and tried to fit the evidence and analysis in predetermined directions, something at odds with the objective of the research team of sticking to evidence and avoiding predefined policy agendas.

### Discussion Briefs, Series II

In spite of these challenges we felt that this kind of discussion with senior government officials around more circumscribed topics, based on ‘bottom-up’ evidence and in a ‘neutral’ space, supported by short briefs which could be disseminated afterwards, had been effective as one of the ways of engaging with policy. Towards the end of 2014 we sought funding for a transition phase that could focus on further using the huge amount of data made through WIDE3, while also preparing for next steps in the research. Following a presentation at a meeting of the Heads of Agencies of the Donor Assistance Group (DAG) we were invited by three bilateral agencies<sup>43</sup> to develop a proposal for a WIDE ‘transition phase’, including the drafting of **another nine discussion briefs**. This was agreed in mid-2015.

This time it was agreed that the briefs would be **written by ourselves**, on topics which had again been identified for their policy relevance but also, for which one of us had developed a particular interest<sup>44</sup> while analysing the data for the research reports or preparing presentations or papers for various groups of stakeholders in Ethiopia or for international research audiences<sup>45</sup>. We also built in a process whereby the **briefs**, before being shared as drafts with government, would be **peer reviewed** by non-government Ethiopian experts familiar with the government’s development approach and with the topics addressed<sup>46</sup>. It was also agreed that we would be producing a WIDE book based on the briefs, as a way of further disseminating the research findings and implications for policy. Table 7 presents the nine topic- focused briefs – it was decided to add an introduction brief that would support the nine others in presenting key features of the WIDE3 research.

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<sup>42</sup> That brief was finally not shared with Government (see previous footnote).

<sup>43</sup> The transition phase funders were DFID again, Irish Aid, and the Swedish International Development Agency.

<sup>44</sup> In the meantime, the core WIDE team of Pip Bevan, Catherine Dom and Alula Pankhurst had been joined by Sarah Vaughan, who had written one of the five Series I discussion briefs and was interested in following up with a brief that would further explore issues that this first brief could not fully address. We also enlisted the support of two additional authors – one of the research officers particularly interested by one of the topics; and a UK-based colleague gender specialist who had developed an interest in the WIDE approach.

<sup>45</sup> Among others, the WIDE team participated to both the 18th and the 19th International Conference of Ethiopian Studies, held in Dire Dawa in 2013 and Warsaw in 2015 respectively.

<sup>46</sup> The peer reviewers were identified by the WIDE team. Most of them were academics and staff members of think tanks themselves engaged in research on the topics addressed in the briefs, while some had experience of working for development partner agencies as staff or consultant.

Table 7 – The WIDE Discussion Briefs, Series II<sup>47</sup>

- 1) Introduction
- 2) Insights on economic success in rural communities in 2010/13
- 3) Rurbanisation, urban expansion, and thickening rural-urban links
- 4) Moving for work from rural communities (2010-13)
- 5) Inequalities and differentiation in rural communities (2010/13).
- 6) Youth transitions to adulthood in rural communities.
- 7) Education in rural Ethiopia (2010-13): aspiration and uncertainty.
- 8) Economic participation of women and girls in rural Ethiopia – 2010/13.
- 9) Changing patterns in maternal & infant health and well-being 2003-13
- 10) Diffusion of Knowledge, Learning, “Technology Transfer” & Change in Rural Communities

Like for the Series I, a **High Level Discussion Forum was organised, in March 2016**, this time at the invitation of the Ethiopian Development Research Institute (EDRI). We had expanded the targeted audience to also invite senior representatives from a number of influential institutions linked to but not part of government agencies such as the Ethiopia Civil Service University, Meles Zenawi Leadership Academy and Policy Study and Research Centre. Participants at this second HLF were more numerous, not so much from government but from these institutions. Discussions were good but somewhat more limited – partly because there was more to go through with a wider range of topics, and perhaps partly because of the less homogeneous audience.

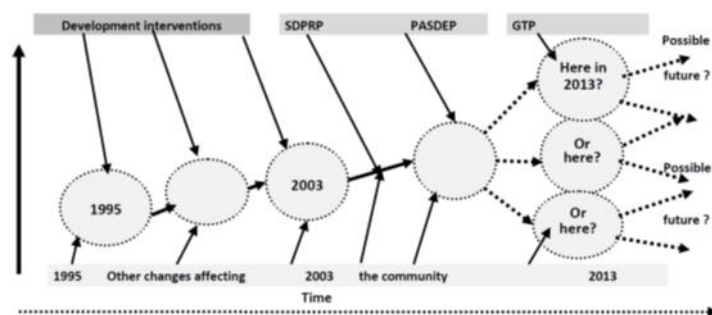
From this round the main highlight was the **high added value of the peer review process**. Through alternating whole-group discussions and face-to-face meetings with the authors, our peer reviewers constructively engaged with the briefs, both specifically the one they had been asked to review and the whole set. They helped a lot to shape the briefs, substantively improve and nuance the content and draw the links between them, in this way identifying broad crosscutting themes which we built upon to structure the conclusion of the book at a later stage. The process has also been very useful in terms of enlarging the circle of Ethiopian stakeholders familiar with the research.

#### Lessons and possible outcomes from the Discussion Brief process

On reflection, a few points stand as lessons to be learned from the Discussion Brief process in terms of engaging with policy.

*First*, these briefs were **called ‘discussion briefs’** (and not ‘policy briefs’) on purpose. It reflected our objective, which was not about making policy recommendations but about drawing on the WIDE evidence to describe how policy was being implemented and its effects, and on this basis, raise questions and highlight possible implications for policy. This approach, fully recognising the government leadership in policy, was important to allow us to engage on a basis that was acceptable to the government officials whom we would meet.

Fig 9 – Giving a sense of trajectory



*Second*, the briefs are careful to **document progress first** (‘where things are coming from’) before raising ‘the way to go’. They give a **sense of trajectory** (as illustrated in the graph in Fig.9, which we used in several exposés). They recognise the transformation under way first, before highlighting aspects by which it might be incomplete or having less

<sup>47</sup> These are the final titles of the Series II briefs as shared with Government. The titles and the organisation of topics continued to evolve throughout the process of producing the WIDE book based on the briefs.

positive or unexpected effects.

*Third*, the experience of the two high level events and also the few face-to-face bilateral meetings we had with ministers and state ministers suggest that **small and relatively homogeneous groups** in ‘**closed door meetings**’ can enable **cautious but frank discussions** of findings that are not all positive and of suggestions that may not fully align with mainstream current policy – as long as this is for discussion, and based on a recognition of achievements as well, as just highlighted. In general, those government high ranking officials were interested in the findings, in our reflections and suggestions and in the WIDE approach and especially, its focus on exemplar communities and their long term trajectories. There was recognition of the value of an approach quite different from the more commonly used surveys and sector or programme reviews and evaluations, and which provided the “*stories behind the numbers, telling us why the numbers are what they are*”.

The box below highlights some of the points made by high ranking officials in the high level events.

*Box 1 – Selected highlights from the High Level Discussion Fora, March 2014 and March 2016*

#### **On specific policy aspects**

It is correct to state that cooperatives have failed to capture the output market. But they have an important role to play in strengthening farmers’ bargaining power. The cooperative sector has recently been restructured (March 2014). It would be interesting for the next WIDE round to look into market dynamics and how they are evolving.

The education paper shows that with achievements come new aspirations and new challenges and the need to go further. The suggestion of making the curriculum and programmes even more flexible is very important. However, how would this greater flexibility fit with education quality? Is there not a risk that flexibility could undermine quality?

#### **On broader policy themes**

Inequality is an issue, but one should avoid ‘throwing the baby with the water’ i.e. abandoning interventions that have worked for many.

The issue of rural youth un(der)employment is critical and cannot be resolved by getting them all employed in agriculture. Rural industrialisation is key but that is a long-term strategy and finding ways in the short-term is not easy (March 2014). Were youth transitions as described by WIDE (more complex, longer) perceived as an issue in the communities? How important was it for the communities themselves (March 2016)?

How did communities see urbanisation, as an opportunity or a problem? How were they adapting to the changes it is bringing in the community – seizing opportunities, coping with problems?

It is important to facilitate mobility, no doubt, as rural areas have ‘more than their fair share’. But there is a need to look at what is feasible.

#### **On government approach to development**

One size does not fit all. Thus far the government has used standard policies. They have been largely effective but ‘at the fringes’ they are less so. There is a need to nuance them to fit the different conditions found in the country. That means, there is a need to decentralise. But that will not be easy because there is also a need to ensure accountability. There is a need for policy standards, and feedback to indicate how to customise interventions.

In a developmental state it is common that supply comes first. This then gives way, sometime down the line. It matters to take care of how the transition takes place. One has to pay attention to demand as well as supply, but that is easier said than done.

The model approach... is about replicating success. This has not been done systematically enough. It is different from trickle-down and also different from a deliberate policy design of working only with the rich/better-off. The government aim is to lift up the whole society (March 2014). It is not true that success cannot be replicated. People’s aspirations can be made to rise, it is a matter of how success is being communicated, and of having the right interventions (March 2016).

#### **On the WIDE approach**

It is important that dynamics at micro-level feed into macro policy design.

It is very important to first ‘tell the story’ of what each intervention has achieved and then move on to identify the gaps. That is very important to capture the attention of policymakers. But it is true that the transformation is not complete, hence it is important to identify the new issues that emerge. This is what this longitudinal research helps doing.

These highlights indicate a mix of openness to listen and think out of the box as well as difficulties in doing so (e.g. about the ‘model’ approach), and an awareness of the challenges entailed in policy shifts (e.g. about decentralisation and accountability, flexibility and standards). It suggests, we believe, that although it may not be possible to discern direct effects of research like WIDE, engaging with policy may lead to policymakers and practitioners questioning policy aspects or approaches in ways that might not occur otherwise, which may in turn influence the ways in which they think about further policy evolution. But (like for all ‘supertankers’) changing course is hard in practice.

### *WIDE outputs in Ethiopia*

Reflecting the confidence we developed over time that the approach just described was acceptable to government, there was also an evolution in the course of WIDE3 in how the research outputs have been disseminated – from low profile at the onset, to a more visible presence. Following the seminars, bilateral meetings and discussion brief process outlined above, we have reached a stage where we have presented the Ethiopia WIDE website ([www.ethiopiawide.net](http://www.ethiopiawide.net)) to government officials at the High Level Discussion Forum of March 2016, explaining our intention that this should allow other stakeholders to make use of the WIDE data.

At the time of writing this paper a WIDE book is under press, and we are hoping to organise a public launch in the presence of high ranking officials in early 2017. The book is based on the Discussion Briefs Series II but expands on them. With more time to prepare it, this gave us a chance to think more carefully about what we wanted to say and to discern more clearly key themes emerging from all of the topics so that it may be a better representation of our findings and views. We also hope in this way to reach a wider audience, both in government and with academicians and practitioners.

### **Lessons learned**

Following from the above, what can be learned from the WIDE3 approach to engaging with policy? When we asked ourselves that question and discussed it with others, we thought that four characteristics may have made a difference, in shaping a space that government officials engaging with the research may have found more comfortable than is usually the case in such processes.

*First*, as researchers we have tried hard to be **ideologically as neutral as possible** and independent from donors’ policy discourse and agendas (albeit funded by donors). *Second*, as government officials themselves expressed, it was important that our **headline message** was broadly **positive**, recognising the huge transformation under way and the role of government interventions in this. *Third*, this, in turn, made it acceptable to **address more sensitive issues** as a second step, through nuanced presentations of the findings and making suggestions based on what the findings implied (and not on preconceived ideas of what policies are right and not). *Fourth*, as was clear in comparing and contrasting the one ‘joint event’ we held<sup>48</sup> and the government-only events such as the High Level Fora, the bilateral meetings with Ministers and the lunch at the ATA, it had been effective to carve out **dedicated space** for engaging with government.

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<sup>48</sup> See Table 5 above - Discussions at the RED/FS workshop organised in October 2013, attended by high level representatives on both the government and development partner sides, were typically more guarded than was the case for instance in our bilateral discussion with the Minister of Agriculture, just a few weeks earlier.

Taking WIDE3 as one possible **exemplar of independent policy-relevant research**<sup>49</sup>, our experience suggests that doing more of that kind of research might have long term benefits in terms of policy development. At the same time, our experience with seeking funding for WIDE also revealed a number of **constraints** on making this happen, even when as we believe, on the government side the space and even the demand exists for this kind of research. There are at least three types of constraints, all linked to donor preferences.

*First*, we found that the prevailing **'silo' approach in donor programming and funding** means that donors favour research that can be clearly linked to one of their programmes or sectors of intervention; moreover, there increasingly is demand for research to focus on current 'hot topics' in the international development discourse (e.g. HIV/AIDS a few years ago, climate change and resilience more recently). This makes it hard to find funding for crosscutting, non-sectoral and non-programmatic research such as WIDE. *Second*, the increasing focus, both internationally and in many national donor country contexts, on **results** that can **supposedly be attributed to donor aid**, weakens incentives to recognise the complexity and non-linearity of change in development and to carry out research that is based on this recognition and demonstrates the limits of attribution as a conceptual toolbox to explain change. *Third*, and relatedly, there is a perception among donor agencies that the 'aid works' message needs to be backed by results achieved in short periods of time – leading to a **focus on short term 'evidence'** that does not fit well with longitudinal research.

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<sup>49</sup> This is not the only such exemplar. Young Lives, another longitudinal study in which one of us plays a leading role, may be another such exemplar. Its more circumscribed focus on children/young people means that the research also had a more focused set of policy engagement opportunities, possibly slightly better defined from the outset, with one key ministry as lead government interlocutor.

## Part 3 – Engaging with policy in future

In spite of the constraints just highlighted, we trust that there is a future for WIDE to continue to generate evidence and to engage with policy in Ethiopia, capitalising on the interest that has emerged among government officials over the course of WIDE3 and of this transition phase. Reflecting on how to make this happen brought us to think about how to maintain this potential over the longer term, and for this, how to sustainably institutionalise WIDE sustainably as one of the ways in which the Government and its development partners track change over time, complementing other approaches as explained in the introduction.

In this section I first outline a sequence of steps that would allow taking WIDE forward towards this longer term objective. I then look at how WIDE fits in the current research capacity landscape in Ethiopia. In conclusion, I identify a number of questions that arise when thinking about longer term institutionalisation.

### Phasing in the next steps

In the short run, we see potential for further engagement with government on the basis of the existing data. In particular, we are keen to **engage with regional governments**. In the federal set-up of Ethiopia, constitutionally Regions have a key role to play in developing and implementing regional development initiatives, in line with national policies about which, as noted earlier, they are consulted by the federal government. Even though Regions are still large entities, regional governments are nearer to the ground than the federal level. Engaging with them on research findings might, as the federal constitution indicates, facilitate greater responsiveness to the diversity of the country and its development needs.

In addition, we have identified a number of **policy-related research projects** which could be usefully undertaken in conjunction with new focused fieldwork modules; this could happen in 2017, depending on funding availability<sup>50</sup>. This would keep the momentum and at the same time leave enough time before revisiting all communities in a **WIDE4** round of fieldwork and analysis in 2018/19<sup>51</sup>, with a view to continuing to track the communities' long term trajectories and in doing so, providing inputs in the planning process for the successor to the GTP II.

However, we believe that to make this role sustainable we need to find an **'Ethiopian home'** for WIDE, so that it becomes a fully Ethiopian-led undertaking. This is a longer term objective but need not be seen as a separate endeavour. Indeed, both the smaller-scale research projects just mentioned and WIDE4 could be opportunities to experiment with modalities of **collaboration with interested Ethiopian institutions**, which would allow us to draw lessons and develop a **longer term institutionalisation approach** in discussion with Ethiopian stakeholders and development partners.

### Research capacity in Ethiopia

Ethiopia has endogenous traditions of research, with long-standing research capacity in institutions like Addis Ababa University and the expanding national network of public universities, and more recently, research capacity more focused on various aspects of the country's development in institutions like the Ethiopian Development Research Institute, the Forum for Social Studies, the recently established Policy Study and Research Centre and others. The Central Statistics Authority is also a knowledge hub with regard to Ethiopia's development trends. Another institution worth mentioning is the Ethiopia Civil Service University (ECSU)<sup>52</sup>. These institutions entertain

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<sup>50</sup> See Bevan 2016. *Policy-related research projects which could be usefully undertaken in the near future* (one of several papers taking stock of WIDE methodology in 2016). The topics identified include taxation and contributions, access to justice, land issues, credit, water, agricultural developments, non-farm own account activities and non-farm employment, and the effects of the 2015/16 drought.

<sup>51</sup> See Bevan 2016. *Ways of approaching a WIDE4 round of research* (in 'WIDE methodology in 2016').

<sup>52</sup> For instance the ECSU has Centers for Research in Ethics and Integrity, and in Public Service Reforms.



collaborations with non-Ethiopian institutions in various forms, sometimes over decades. There are also efforts to build specialised (often more operational) research capacity in sectors such as agriculture, education and health, in government or with strong links with policymaking, with in some instances dedicated institutions being established<sup>53</sup>.

Whilst reviewing research capacity in Ethiopia in detail is beyond the scope of this paper, two features of the current situation are of direct relevance to our hope of institutionalising WIDE. One is the **dominance of quantitative approaches** when it comes to tracking development trends and change more generally – with notably, a range of decade-long series of surveys carried out by the CSA or under its mandate. The other is the existence of a **plethora of qualitative case studies**, but usually **one-off** and focused on **particular aspects** of development – whose sheer number and origin defy attempts at coordination or even compilation.

There are very few cases of longitudinal social research using qualitative or mixed methods. In a recently commissioned review only six such undertakings were identified (Roisin 2015). Among these only three lasted for more than a decade, namely Young Lives, the Ethiopia Rural Household Survey (ERHS), and WIDE, all quite different in terms of origins, focus and prospects.

#### *Box 2 – Longitudinal research in Ethiopia*

**Young Lives** is a multi-country research programme focusing on the effects of poverty and government policies on children and young people, tracking their lives over time. Using mixed methods and drilling down on a number of more specific topics such as early marriage and violence against children, Young Lives Ethiopia has produced numerous studies and strengthened Ethiopian child advocacy capacity. Under current funding the programme is coming to an end in 2018. However, it has recently been agreed to establish an Ethio-Child Research Centre under EDRI, which has for now attracted some funding from UNICEF, to take forward the legacy of the Young Lives research.

The **Ethiopia Rural Household Survey (ERHS)** was a series of quantitative surveys focusing initially on food security later expanded to study rural livelihoods more broadly, conducted in fifteen then eighteen villages, and interviewing the same hundred households over time. WIDE1 was conducted as a companion research to the ERHS first round, in 1994/5. The ERHS has been stopped as the households, selected in 1994, were becoming too old to continue to be representative.

The story of WIDE has been narrated elsewhere<sup>54</sup>. WIDE shares with Young Lives and the ERHS the objective of being policy-relevant. However, it did not start as a longitudinal project and as such, its future is also uncertain. It also differs from Young Lives and ERHS in that the aim is to document all aspects of the changes that are under way, and the main level of analysis is the community, as a dynamic, open, complex social system (and individuals and households within them). WIDE qualitative complexity theory-based approach is also a feature distinguishing it from the other research projects mentioned here.

#### **Institutionalising WIDE – Key issues**

From the above, a number of implications emerge.

*First*, to maintain WIDE policy relevance there is a need to think through **how WIDE would link up with government policymaking whilst maintaining its independence in future**. One question is whether it might be useful, from the government perspective, to institutionalise this link with a designated government agency which would be the prime interlocutor for those implementing the research and possibly play the role of commissioning the research. The National Planning

<sup>53</sup> For instance the Education Strategy Centre, founded in 2009, has a mandate to “*propose and implement research priorities*” (see <http://www.esc.gov.et/>).

<sup>54</sup> See Bevan, Dom and Pankhurst in Pankhurst, A. ed. 2017 and <http://ethiopiawide.net/history/>.

Commission comes to mind, as the agency responsible for compiling and analysing various types of evidence to develop national development plans and monitor their effects.

*Second*, the **capacity of designing and conducting qualitative, complexity theory-based policy-relevant research** would need to be locally developed. Collaborating with interested Ethiopian institutions on actual research projects and on WIDE4 would facilitate the development of capacity ‘on the job’, and allow gradually deepening it over successive research iterations (e.g. from fieldwork management to analysis of the findings, from inputs into the fieldwork design to fully designing the modules etc.). Considering the geographical spread of WIDE (and that it might further expand over time), it makes sense to think about institutions located in different areas of the country. In each of them there would need to be one or more ‘champion(s)’ i.e., researcher(s) interested in the WIDE approach and in the prospect of trying to develop the required capacity in their institution, and who could mobilise an initially small group of other interested researchers.

*Third*, while it seems to make sense to think about collaboration with and between a number of Ethiopian institutions, there would likely need to be a **lead institution** ensuring coordination and coherence, and taking final responsibility for the dissemination of the research findings and for the link with government policymaking through the commissioning agency.

*Fourth*, for the above to be possible and although the smaller-scale experimental collaborations mentioned above could be a starting point, ideally there would need to be some **medium term certainty over funding**, without which raising interest among Ethiopian institutions is likely to be more difficult.

Box 3 below brings together a number of initial ideas about institutional arrangements that might allow gradually institutionalising WIDE.

*Box 3 – Institutional considerations with a view to taking WIDE forward*

**Commissioning** – National Planning Commission, which would equip itself with some internal qualitative research capacity. An alternative would be to mandate one of the established think tanks to play the commissioning role.

**Research design and management** (including part of the analysis - Through a network of better-established regional universities; possibly also drawing on research capacity of think tanks and institutions such as the Forum for Social Studies.

**Coordination** (including final analysis and lead in dissemination and dialogue with government) - Through one of the universities or a think tank.

This section is an attempt to start a discussion, with those in government who have expressed an appreciation of the WIDE method and results and a wide range of Ethiopian institutions as well as Ethiopia’s development partners, about what might work and how to plan this long term undertaking.

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