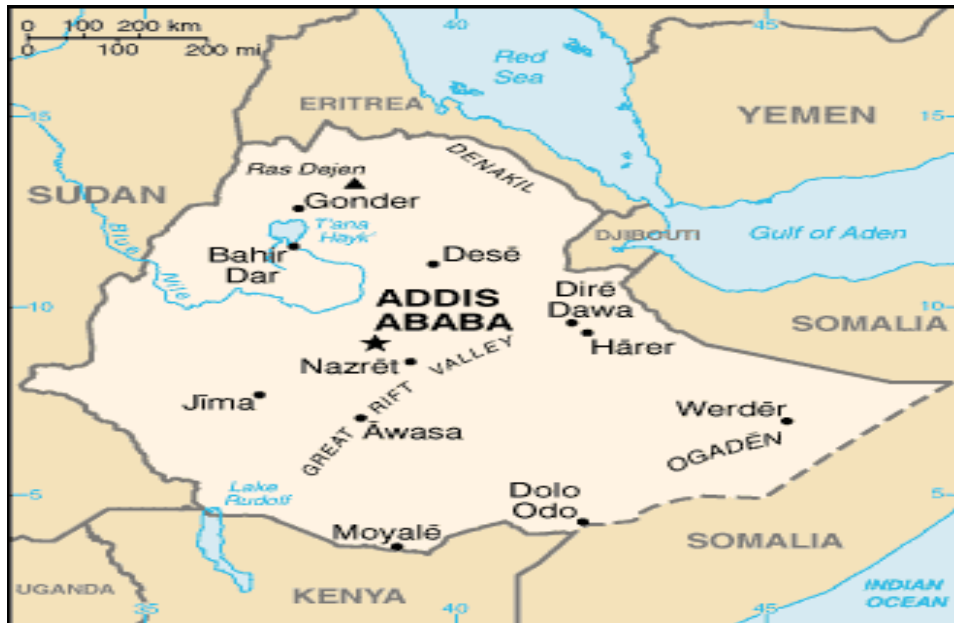


Ethiopia



Introduction

Background: Unique among African countries, the ancient Ethiopian monarchy maintained its freedom from colonial rule, with the exception of the 1936-41 Italian occupation during World War II. In 1974 a military junta, the Derg, deposed Emperor Haile SELASSIE (who had ruled since 1930) and established a socialist state. Torn by bloody coups, uprisings, wide-scale drought, and massive refugee problems, the regime was finally toppled in 1991 by a coalition of rebel forces, the Ethiopian People's Revolutionary Democratic Front (EPRDF). A constitution was adopted in 1994 and Ethiopia's first multiparty elections were held in 1995. A two and a half year border war with Eritrea ended with a peace treaty on 12 December 2000. Final demarcation of the boundary is currently on hold due to Ethiopian objections to an international commission's finding requiring it to surrender sensitive territory.

Geography

Location: Eastern Africa, west of Somalia

Area: *total:* 1,127,127 sq km

land: 1,119,683 sq km

water: 7,444 sq km

Coastline: 0 km (landlocked)

Climate: tropical monsoon with wide topographic-induced variation

Terrain: high plateau with central mountain range divided by Great Rift Valley

Natural resources: small reserves of gold, platinum, copper, potash, natural gas, hydropower

Environment - current issues: deforestation; overgrazing; soil erosion; desertification; water shortages in some areas from water-intensive farming and poor management

People

Population: 73,053,286

note: estimates for this country explicitly take into account the effects of excess mortality due to AIDS; this can result in lower life expectancy, higher infant mortality and death rates, lower population and growth rates, and changes in the distribution of population by age and sex than would otherwise be expected

Population growth rate: 2.36%

Net migration rate: 0 migrant(s)/1,000 population

note: repatriation of Ethiopians who fled to Sudan for refuge from war and famine in earlier years is expected to continue for several years; some Sudanese and Somali refugees, who fled to Ethiopia from the fighting or famine in their own countries, continue to return to their homes (2005 est.)

Languages: Amharic, Tigrinya, Oromigna, Guaragigna, Somali, Arabic, other local languages, English (major foreign language taught in schools)

Government

Country name: *conventional long form:* Federal Democratic Republic of Ethiopia

Government type: federal republic

Capital: Addis Ababa

Independence: oldest independent country in Africa and one of the oldest in the world - at least 2,000 years

Executive branch: *chief of state:* President GIRMA Woldegiorgis

International organization participation: ACP, AfDB, AU, FAO, G-24, G-77, IAEA, IBRD, ICAO, ICRM, IDA, IFAD, IFC, IFRCS, IGAD, ILO, IMF, IMO, Interpol, IOC, IOM (observer), ISO, ITU, MIGA, NAM, ONUB, OPCW, PCA, UN, UNCTAD, UNESCO, UNHCR, UNIDO, UNMIL, UPU, WCO, WFTU, WHO, WIPO, WMO, WToO, WTO (observer)

Economy

Economy - overview: Ethiopia's poverty-stricken economy is based on agriculture, accounting for half of GDP, 60% of exports, and 80% of total employment. The agricultural sector suffers from frequent drought and poor cultivation practices. Coffee is critical to the Ethiopian economy with exports of some \$156 million in 2002, but historically low prices have seen many farmers switching to qat to supplement income. The war with Eritrea in 1998-2000 and recurrent drought have buffeted the economy, in particular coffee production. In November 2001, Ethiopia qualified for debt relief from the Highly Indebted Poor Countries (HIPC) initiative. Under Ethiopia's land tenure system, the government owns all land and provides long-term leases to the tenants; the system continues to hamper growth in the industrial sector as entrepreneurs are unable to use land as collateral for loans. Drought struck again late in 2002, leading to a 2% decline in GDP in 2003. Normal weather patterns late in 2003 helped agricultural and GDP growth recover in 2004.

GDP: purchasing power parity - \$54.89 billion

GDP - real growth rate: 11.6%

GDP - per capita: purchasing power parity - \$800

GDP - composition by sector: *agriculture:* 47%

industry: 12.4%

services: 40.6%

Investment (gross fixed): 17.8% of GDP

Population below poverty line: 50%

Inflation rate (consumer prices): 2.4%

Budget: *revenues:* \$1.887 billion

expenditures: \$2.388 billion, including capital expenditures of \$788 million

Agriculture - products: cereals, pulses, coffee, oilseed, sugarcane, potatoes, qat; hides, cattle, sheep, goats

Industries: food processing, beverages, textiles, chemicals, metals processing, cement

Oil - production: 0 bbl/day

Oil - consumption: 23,000 bbl/day

Oil - proved reserves: 214,000 bbl

Natural gas - proved reserves: 12.46 billion cu m

Current account balance: \$-464.4 million

Exports: \$562.8 million f.o.b.

Exports - commodities: coffee, qat, gold, leather products, live animals, oilseeds

Exports - partners: Djibouti 13.6%, Germany 9.7%, Japan 9%, Saudi Arabia 6.5%, US 5.4%, Italy 4.9%, UK 4.3%

Imports: \$2.104 billion f.o.b.

Imports - commodities: food and live animals, petroleum and petroleum products, chemicals, machinery, motor vehicles, cereals, textiles

Imports - partners: Saudi Arabia 25%, US 15.9%, China 6.7%

Currency: birr (ETB)

Exchange rates: birr per US dollar - 8.68 (2004), 8.5997 (2003), 8.5678 (2002), 8.4575 (2001), 8.2173 (2000)

note: since 24 October 2001 exchange rates are determined on a daily basis via interbank transactions regulated by the Central Bank

Transportation

Railways: *total:* 681 km (Ethiopian segment of the Addis Ababa-Djibouti railroad)

narrow gauge: 681 km 1.000-m gauge

note: railway under joint control of Djibouti and Ethiopia (2004)

Highways: *total:* 33,297 km

paved: 3,996 km

unpaved: 29,301 km

Ports and harbors: none; Ethiopia is landlocked and by agreement with Eritrea was using the ports of Assab and Massawa; since the border dispute with Eritrea flared, Ethiopia has used the port of Djibouti for nearly all of its imports

Merchant marine: *total:* 8 ships (1,000 GRT or over) 81,933 GRT/101,287 DWT

by type: cargo 6, roll on/roll off 2

Airports: 83