

**Addis Ababa University
School of Graduate Studies
Institute for Peace and Security**

**ETHIO-ERITREA CONFLICT: IN SEARCH OF
REMEDIES FOR THE DEADLOCK**

By

GEBREYOHANNES TEKLU GEBREGZIABHER

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**BY
GEBREYOHANNES TEKLU GEBREGZIABHER**

**A thesis submitted to
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In partial fulfillment of the requirement for the Degree of
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ABSTRACT

The conflict between Ethiopia and Eritrea has brought a major setback to the peace and security of the two countries with devastating impacts against the wider Horn of Africa. Efforts made to bring the warring parties to a lasting solution have continued to fail. The conflict is more deeply rooted and complex than a simple territorial issue. In the process, the mediator's efforts including the Algiers agreement have failed to resolve the crisis because of lack of proper understanding of the root causes of the conflict. This has led both countries to remain in 'no war and no peace' situation, with the potential for destabilizing each other.

As is often said, 'knowing the problem is half way to the solution', the key to the whole effort in resolving the Ethiopia-Eritrea conflict is to be found in deeper analysis of why the previous efforts had failed and thoughtful inquiry of critical factors that lie beyond the superficial causes of the conflict. Having a clear understanding of the root cause of the conflict is very important to make an assessment of the attempts made so far have helped to end the hostility or they have just perpetuated it. To this effect, this study identified political and historical factors as a subsidiary causes while territorial disagreement has been a pretext. It argued that the economic issues and the conception of military invincibility were comparatively the cardinal causes of the conflict.

Finally, the research concludes that the way out from the current deadlock depends on the legal and political options. But both these options did not have common ground and lack the critical element of a win-win approach that can reconcile both parties' respective national interests. Even though the issue still remains largely as a legal case, its final and sustainable solution depends on comprehensive political dialogue and concerns. Therefore, the thesis finally proposed the need to undertake a series of mutual interest based negotiations and the initiative along with committed political dialogue and demarcation as a creative approach to end the current stalemate.

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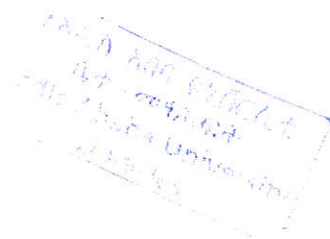
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ACRONYMS

EEBC:	Ethiopia and Eritrea Boundary Commission.
ELM:	Eritrean Liberation Movement
EPLF:	Eritrea People Liberation Front
ELF:	Eritrea Liberation Front
EPRDF:	Ethiopia people Revolution Democratic Front
UNMMEE:	United Nation Military Mission for Ethiopia and Eritrea
TSZ:	Temporary Security Zone
T.P.L.F:	Tigray Peoples Liberation Front
UNSC:	United Nations Security Council
ICG:	International Crisis group
CHA:	Cessation of Hostility Agreement
H.P.R	House of People Representative
IAG:	Inter African Group
ICJ:	International Court of Justice
IPI:	International Peace Institute
EU:	European Union
PM:	Prime Minister
EFM:	Ethiopian Foreign Minister
WCC:	World Church Council.
WIC:	Walta Information Center
FDRE:	Federal Democratic Republic of Ethiopian
IGAD:	Inter Governmental Authority and Development
EDA	Eritrean Democratic Alliance
ECP	Eritrean Congress Party
CPRD	Center for Policy Research and Dialogue
AAU	Addis Ababa University

CHAPTER ONE

Background to and context of the study

1.1. Introduction

The Horn of Africa is one of the most conflict-prone areas in the world. Characteristically, the region is well known for its inter and intra-state conflicts. Poverty, super power rivalry, porous borders and self-determinations are among the chief factors underlying the conflict. In many respects, Ethiopia and Eritrea are placed at the heart of this conflict (Medhane, 2004). The cultural and historical ties between the two countries can be traced back to centuries (Wrong, 2005) sharing a common border of a 912 KMs. The period of Italian colonization lasted from 1889-1941 after which Eritrea became a British protectorate from 1941-52 followed by federal arrangement with Ethiopia from 1952 (Ghebre-Ab, 1993). The abrogation of federal arrangement by the Imperial regime of Ethiopia in 1962 led to armed resistance (International Boundaries Research Unit, 2000).

After a bitter struggle for nearly three decades, a referendum was held in 1993 after three years of de facto independence that led to the declaration of independence by Eritrea (Government of Eritrea Dept. of culture and information, 1993). The process was tacitly acknowledged and was carried out with the consent of the present Ethiopian government. The outcome of this referendum raised hopes on the part of the people of both countries and the international community at large, that peace and security would prevail in both countries and the Horn of Africa sub-region (Iyob, 1993). Maintaining the momentum, for almost a decade, Ethiopia and Eritrea functioned as neighboring states with exemplary relations both during the interim period (1991-1993) and the post 1993, which Eritrea commenced to function as full-fledged state; the two countries had established relatively stable and good relations.

Nevertheless, following the introduction of the new Eritrean currency the Nakfa, in 1997 and differences arising from the economic policies, the relation between the two countries was seriously strained leading to an aggravation of conflict surrounding some of the outstanding issues including territorial demarcation. The pretext for the eruption of the war in 1998-2000, while peace talks were underway was the border issues of Badme (Negash & Tronvoll, 2000).

In May 1998, war suddenly broke out between the two countries, after the Eritrean army “invaded the Bademe” under the alleged reason of boundary problem (Henze, 2001). Shocked by the incident, diplomatic efforts were launched to prevent further confrontation and an all out war including the proposal towards withdrawal of the forces of the two countries to their position before the outbreak of the war.

Several attempts made by friendly countries and other organizations such as (Djibouti, Rwanda, and the US) as well as the organization of African unity (OAU) to bring the two parties to a negotiating round table failed. Consequently, between July 1998 and February 1999, the two countries were engaged in rapidly building up their armed forces. Later on, Ethiopia invoked its right of self-defence and conducted a massive offensive thereby breaking Eritrea’s defence line and reversing the Eritrean aggression (Kinfe, 2004). Ethiopia occupied significant parts of Eritrean territories, which were important locations in order to defend the liberated area from the Eritrean occupation. The offensive highlighted urgency at the Algiers negotiation whereby an OAU sponsored peace framework agreement was accepted by Eritrea. After further negotiations, leaders of the two countries signed the Algiers Agreement on 12 December 2000 and two commissions known as Claims Commission and Ethio-Eritrea Boundary Commission (EEBC) were established. The Boundary Commission clarified on 28 March 2003 that the area known as the Badme plains largely was Ethiopia’s but the village of Badme was inside Eritrea (IAG, 2008).

Since then the controversial nature of the decision has delayed the prospect of peace in the region. The Eritrean government had the letter of the law on its side for both sides had agreed at Algiers that the award of the verdict would be final and binding. In contrast, Ethiopia appealed to the Boundary Commission, claiming that errors had been made and therefore, adjustment would be required during the demarcation phase (Healy, 2008). Accordingly, the Ethiopian government appealed that, if the decision of the Commission was to be executed as it is, it would be a recipe for future conflict rather than to create durable peace and stability. In response to Ethiopia’s appeal, the Commission declared that the delimitation decision based on the Algiers Agreement was final and binding. Subsequently, the EEBC announced on 30 November 2007 that it had fulfilled its mandate (Healy, 2008). As a result of this difficulty, the Ethio-Eritrea peace process has contributed to a deadlock situation of a “no war no peace” that leading to protracted tensions and proxy wars.

1.2. Statement of the Problem

Ethiopia and Eritrea are among the poorest countries in the world; nevertheless, both countries find themselves locked in a chronic confrontation, which has affected the peace and security of not only the two countries but also the entire Horn Africa region. This is attributed to the failure of the peace process and the issue of the implementation of the decision of BCEE. In this respect, Ethiopia, 'in principle', continues to affirm its acceptance of the decision of BCEE, although, its implementation would need to be further worked out. The Eritrean government on its part has declared that it would not accept any dialogue over the ruling of the decision. Both conflicting parties have tried to mobilize important sectors of the international community in support of their respective positions and interests regarding the implementation processes.

As discussed in the introductory part, however, the Boundary Commission has already announced that it had accomplished its mandate and is less likely to take any further responsibility contrary to Ethiopia's appeal to the work on the alleged gaps. The commission officially presented maps to all the concerned parties, including the UN. Eritrea has acknowledged the coordination specified by the Boundary Commission as final and valid. Ethiopia, on the other hand, regards, the demarcation coordinates as invalid and "legal nonsense" unless the pillars are placed on the ground (IAG, 2008). These developments have generated a situation leading to the lack of political will and the absence of a comprehensive peaceful settlement.

The current deadlock is not only a result of the failure to establish lasting peace by both countries; it is also an apparent cause to the failure of regional and international diplomacy. In this regard, the central theme of this research is to look beyond what has been described as the principal causes to the conflict and to entertain the issue of the wider peace processes.

As such, border dispute could easily be dismissed as the real cause for the conflict, as merely a superficial symptom of far deeper and more complex causes (Leenco, 2006). The key issue is therefore; identifying the main reasons that lead to the failure of both the negotiations as well as the implementations of the BCEE decisions.

The major objective of this paper is, therefore, to examine possible remedies that could extricate the two parties out of the current deadlock. What can practically be done to get out of the current stalemate will be thus, the central question the thesis I will attempt to address.

1.3. Research goals

The goal of this study is to examine the various initiatives and the failures in the course of these initiatives. Accordingly, the research would explore the missing link or the uncovered root cause of the conflict and search ways out from the current deadlock. By doing so, it also tries to bridge the existing gaps in the academic discourse and recommend practical initiatives to solve the stalemate.

1.4. Objective of the study

General objectives:

The overall objective of this study is to analyse the present deadlock in the peace process between Ethiopia and Eritrea, to assess the dynamics that led to the stalemate and finally to recommend possible remedy that could bring lasting solution to the problem.

Specific Objectives of the study

- Inquiring in to the root causes
- To examine the shortcomings of the various initiatives taken so far.
- To investigate the factors that contributed to the current deadlock.
- To assess ways out of the current stalemate in the border conflict between Ethiopia and Eritrea.

1.5. Methods of the Study

In analyzing the stalemate in resolving the protracted Ethio-Eritrea conflict, theoretical framework and analytical foundation is required. Therefore, the type of data and data analysis of the study will focus on the qualitative research method. The thesis will use secondary and primary sources. In particular the study focused on secondary sources. Data have been obtained

from scholarly books, articles and journals, periodicals, treaties and other relevant documents. Such information obtained from libraries, Internet and archives of national and international institutions. Focusing on primary data collection, significantly structured and unstructured interviews are conducted with important personalities who have knowledge about the conflict.

1.6. The scope of the Study

The study covers the root causes of the Ethio-Eritrea conflict. It carries out an investigation into the most applicable ways out from the current deadlock. As supplementary to the main objective of the study, the background history of the conflict between Ethiopia and Eritrea are selectively discussed based on their relevance to the issue at hand. The impact of the conflict may have importance to this study only with regard to its remedies and on the prospect of peace initiatives.

1.7. Application of Results

The study will provide some basic ideas for policy makers of both countries as well as to the international community as to how the current stalemate could be solved.

The study may also, serve as useful reference for researchers, students of peace and security studies that are interested in studying the conflict in the Horn of Africa. Further, the study is about an issue that is still not resolved but needs to be resolved from different angles. To this effect, this study might give an important insight towards the resolution of the problem based on a relatively new approach.

Hopefully also, this study will contribute additional literature on the conflict studies in the Horn of Africa in general and especially in relation to the international relation between Ethiopia and Eritrea.

1.8. Limitation of the study

In conducting this research, obviously challenges and constraints are expected to be faced. To begin with, the very nature of the Ethio-Eritrean conflict is complex in its nature. Further, the

dynamism of politics and conflict in the Horn of Africa involves multiples of actors, which poses challenge in analyzing a given case of conflict.

In addition, due to the inability of the researcher to access primary sources from officials and official archives on the Eritrean side, and the dependency on sources largely available in Ethiopia by itself could be a significant limitation. The other challenge is related to the lack of impartiality or bias that exists in different written materials, journals and articles. However, attempts would be made to carefully analyses and interpret the data, maintaining objectivity.

1.9. Hypothesis

The peace process involving the Ethio-Eritrea conflict has generated a situation where the disputants are deeply caught in a deadlock and virtual confrontation. All efforts so far including the Algiers Agreement and the subsequent attempts to resolve the conflicts under review have failed to produce the intended results. It could be hypothesized that inadequate understanding and proper appraisal of the root causes of the conflicts in particular the reductionism approach of the Algiers agreement confined to border and claims issues underlay the current deadlock. It follows that any proper framework aiming to bring about a lasting peace needs to take account of and should start from a deeper understanding and adequate analysis of the true nature of the conflict.

1.10. Organization of the study

The research focuses on exploring and explaining the deadlock in resolving the Ethio-Eritrean conflict. Based on the above methods and aiming to address the real problem and in consideration of meeting the hypothesis, this study is organized into six chapters. The chapters are classified as follows:

- Chapter one focus on the background of the Ethio-Eritrea conflict. Moreover, it also devote to viewing the methodology of conducting this research.
- Chapter two deals with theoretical framework, concepts and review of the Ethio-Eritrea conflicts.
- Chapter three also dedicated to the cause of the conflict and the overall relation between Ethiopia and Eritrea. Besides to this, it explained the pre-war peace attempt, the war and its impact.

- Chapter four explores the developments leading to the Ethio-Eritrea conflict current deadlock and its reasons.
- Chapter five outline the way out from the Ethio-Eritrea Stalemate.
- Chapter six forwarded conclusion and recommendations.

CHAPTER TWO

Theoretical Framework and Concepts

2.1. Theoretical Framework

To understand, the deadlock and way out strategies of the Ethio-Eritrea conflicts on the bases of the various theoretical resolution processes, there are remarkably persuasive schools of thought that explain the nature and characteristics of the conflict and the reasons as to why they still remained unresolved. Among others, the following theories seem to be essential:

2.1.1 Zero-sum Game Theory

Zero-Sum Game is a situation in which one person can win only what another person loses. It is part of the game theory that refers to the possible outcomes of a game or dispute involving two sides, and more importantly, how each side perceives their outcome relative to their standing before the game. It is a theory among a two-person zero-sum game, a rational strategy based on the minimal principle: each player should seek to maximize the minimum gain of which he or she can be assured, or to minimize the maximum loss, which needs to be sustained. Zero-Sum game theory describes a situation in which a participant's gain or loss is exactly balanced by the losses or gains of the other participant(s). If the total gains of the participants are added up, and the total losses are subtracted, they will sum to zero (James & Pfaltzgraf, 1981).

In specific reference to the conflict, the concept of Zero-sum game is closely associated with the realist paradigm. Realist theory is premised on an anarchical, and inherently conflict prone, international environment in which state interests are defined in terms of power. Realists perceive a relatively fixed amount of security in the system and view shifts in power and security on the part of one state as mirror images of shifts in power and security of other states. Moreover, Realists argue that states are not drawn to cooperative situations where only absolute gains are likely. Zero-sum game and realist theories are more closely aligned in their emphasis on distrust as an underlying motive for action. Actors in a zero-sum scenario cannot afford to trust each other as the desire of the other player is to defeat them and take all the spoils in an assumption (Baylis, 1997).

Although realist theory accommodates a degree of cooperation among states, 'offensive Realists' see little reason for larger degree of cooperation because anarchy compels states to expand power in a quest for absolute security. In contrast, 'Defensive Realists', view instance of the security dilemma as offering states an opportunity to seek security by both preserving power through 'cooperation under anarchy policies' and changing preferences over strategies (Jesvis, 1999). Neither approach would not alter the fundamental underpinning for Realist theory of a zero-sum game.

Finally according to the Zero-sum game scholars, the possible outcomes are seen to be win-lose (one wins, the other loses) (Jesvis, 1999). Compromises usually could not occur in win-lose situations when there is a fixed pie to be divided up, and whatever one side gets, the other side loses. Based on this, according to the analysis of this theory, consequently, the win-lose outcomes are less likely to be accepted voluntarily. But, in dealing with this, either, the distributive bargaining processes, based on a principle of competition between participants, or the principle of compromise process based on the split of parties' difference, tend to end in win-lose outcomes (James & Pfaltzgraf, 1981). Hence, the zero sum game theory indicates that there is no scope for cooperation in which one player's loss is equal to other player's gain.

2.1.2. Non-zero-Sum Game Theory

Non-zero-sum describes a situation in which the interacting parties' aggregate gains and losses is either less than or more than zero. It is a situation where participants can all gain or suffer together. Hence, non-zero-sum outcomes is the more interesting, from a conflict resolution perspectives, to compromise of opposite parties based on their minimum interest (Cheldelin.et al., 2003).

In this regard the non-zero-sum game is best explained by constructivist approaches to international relations, which go further in questioning the explanatory power of zero-sum game. Viewed from this perspective there is no imperative in the international system that inevitably drives international actors towards zero-sum games. States may have acquired selfish interest through a history of interactions of a particular type. And thus habitually distrust each other's intentions but alternative forms of learning and interaction are possible (Wendt, 1992). Traditionally, the tasks of conflict resolution has been seen as helping parties who perceive their situation as zero-sum (self's gain is other's loss) to re-perceive it as a non-zero-sum conflict (in

which both may gain or both may lose), and then to assist parties to move in the positive sum direction (Cheldelin, et al., 2003). Thus, non-zero sum game theory offers for cooperation unlike the zero sum theory.

Accordingly, two-person's non-zero-sum games can be played either cooperatively or non-cooperatively. In a cooperative game, the players are permitted to communicate with each other directly and to exchange information in advance concerning their intended choices. In a non-cooperative game, overt communication is not permitted, but the choice of each becomes obvious to the other player. Even if a game is non-cooperative insofar as the rules prohibit overt or direct communication, it is possible for the players to cooperate tacitly through inferred communication, by which one player interprets other's intentions from the kinds of choices made in a long series of plays (James & Pfaltzgraf, 1981).

2.1.3 Bargaining Game Theory

Bargaining theory is the branch of game theory dealing with non-zero-sum games, in which both (all) parties have a common interest in bargaining for a solution. It refers to situations where two or more players must reach agreement regarding how to distribute an object. Each player prefers to reach an agreement in these games, rather than abstain from doing so; however, each prefers that agreement which most favors his interests (McLean & McMillan, 2008). Promoting the bargaining theory and criticizing the Zero-sum theory, reflects a conviction that in most international strategic situations, the notion of the zero-sum game is simply irrelevant (James & Pfaltzgraf, 1981).

In this view, the conflicting parties cannot rationally suppose themselves engaged in a zero-sum rivalry that could be played out to the bitter end of a full-scale nuclear exchange (James & Pfaltzgraf, 1981). This is because the zero-sum game theory is considered as the limiting case of pure conflict, not as a point of departure for realistic strategic analysis. At the opposite extreme is the "pure collaboration" game in which there is no divergent interest because the players always win or lose together. Bargaining Game theory is primarily interested in the situations which follow the win-win approach lying in-between that is, in those bargaining or "mixed-motive" game that contain elements of both conflict it has also mutual dependence, of divergence and convergence of interest, of secrecy and revelation all which calls the "spiral of reciprocal

expectations” that is usually a matter more of psychological than of mathematical calculus (James & Pfaltzgraf, 1981).

Moreover, Interest-based bargaining involves parties in a collaborative effort to jointly meet each other's needs and satisfy mutual interests. Rather than moving from positions to counter positions to a compromise settlement, negotiators pursuing an interest-based bargaining approach attempt to identify their interests or needs and those of other parties prior to developing specific solutions. After the interests are identified, the negotiators jointly search for a variety of settlement options that might satisfy all interests, rather than argue for any single position. The parties select a solution from these jointly generated options. This approach to negotiation is frequently called integrated bargaining because of its emphasis on cooperation, meeting mutual needs, and the efforts by the parties to expand the bargaining options, so that a wiser decision, with more benefits to all, can be achieved (Pruitt, 1991). In reinforcing the above discussions, according to the scholars of this theory, when for one reason or another, parties cannot carry on direct or overt communication with each other; they can nevertheless tacitly coordinate their moves by fixing upon certain salient point of common interest and converging expectation.

2.2. Concepts

2.2.1 Conflict

The American Heritage Dictionary describes Conflict as a state of disharmony between incompatible or antithetical persons, ideas or interests, a clash Conflict is an escalated natural competition between two or more parties about scarce resources, power and prestige (American Heritage Dictionary, 1992); parties in conflict believe they have incompatible goals, their aim is to neutralize, gain advantage over and, injure or destroy one another (Mesfin, 1999). Some writers argue that Conflict by definition is an intrinsic and inevitable part of human existence.

However, violent conflicts are not inevitable and as such are in variance. Armed conflict is the resort to the use of forces and armed violence in the pursuit of incompatible and particular interests and goals (Gaya Best, 2004). Violence consists of actions, words, attitudes structures or

systems that cause physical, psychological, social or environmental damage and prevents people from reaching their full human potential (Simon et al., 2000).

Conflict can also be expressed as a dynamic phenomenon, a 'manifest conflict process', characterized by phases of initiation, escalation and management, perhaps leading to some kind of termination reflective of settlement, resolution, or transformation. A situation in which at least two parties' interaction such as between the governments of two or more sovereign states in severe conflict which try to pursue their perceptions of mutual incompatible goals by undermining directly or indirectly each other's goal-seeking capability (Sandole, 1993).

Not all conflicts must be prevented as far as we benefit from such a healthy competition and diversity. However, so long as competing ideas cannot be channeled peacefully, then problems could be faced. This violent conflict has a catastrophic impact like breaking down of law and order, violation of human rights, consumes resources and hinders progress (Gonzalez, 2005). Therefore, this violent conflict is destructive and has to be prevented or resolved.

2.2.2 Conflict Resolution

Before proceeding to further illustration, there is a need to establish a preliminary explanation of conflict resolution. Conflict resolution occurs when the conflicting parties enter into an agreement that solves their central incompatibilities, accept each other's continued existence as parties and cease all violent action against each other (Wallensteen, 2007). As a defined field of study, conflict resolution started in the 1950s and 1960s, developed its own subdivisions, with different grounds studying international crises and approaches ranging from negotiation to experimental games (Cheldelin et al, 2003). More importantly, conflict resolution is, in the long run, a process of change in political, social, and economic systems. It is an analytical and problem solving process that takes into account such individual and group needs as identity and recognition, as well as institutional changes that are required to satisfy these needs (Galtung, 1996).

The field of conflict resolution is also a peaceful and mutually satisfactory way to end or significantly de-escalate a conflict. While a conflict can end through violence or war by destroying opponents, it can also end a conflict by surrender and capitulation (Wallensteen,

2007). Generally, in explaining conflict resolution, scholars argue that conflict has an ontological basis in human need, and it is the denial, which causes violent conflicts, or causes re-solvable differences to degenerate into armed violence. The conception of conflict, its management and resolution have led to terms such as a peace making, conflict prevention, third party intervention, mediation, negotiation and preventive diplomacy (Gaya Best, 2004).

Therefore, conflict resolution looks at the underlying causes which started the conflict and deals with them, so that the risks of future conflict are removed, or initially reduced. Both sides join together to achieve this outcome. But, in reality complete resolution of a conflict is difficult after such great hostility, while may be reached after the passage of healing time if everyone has this aim.

2.2.3 Arbitration

Arbitration can be defined as the determination of a difference between conflicting parties through a legal decision of one or more of a tribunal other than the International Court of Justice (ICJ), chosen by the parties; it is also recognized as one of the means of peaceful settlement of disputes (Singh, 1986). It is also the use of an impartial third party to resolve a dispute. Unlike mediation or conciliation, in which a third party facilitates the end of a dispute by helping the negotiators find common ground, which are usually non-binding, arbitrator ends a dispute by issuing a binding settlement. In this case the parties to a dispute should agree to abide by the arbitrator's ruling before submitting their dispute to Arbitration. (Buhring-Uhle & Kirchhof, 2006).

Arbitration is a judicial process by which international disputes, usually between states, are settled peacefully through the use of a tribunal acting as a court of law. The parties to the dispute pick the arbitrating body themselves and are obligated to accept the terms of settlement. The procedure of arbitration grew to some extent out of the processes of diplomatic settlement and represented an advance towards a developed international legal system. Accordingly, to do so in advance, disputers submit their differences to a third, neutral party for final and binding determination (Shaw, 2003). It is sometimes argued that, invalidity of the compromise creates a ground of nullity, while the corruption of a member of tribunal or a serious departure from a fundamental rule of procedure and essential error are grounds of nullity.

In arbitration conflicting parties are not obliged to submit a dispute to the procedure of arbitration, in the absence of their consent. The law to be applied in arbitration proceedings is international law, but the parties may agree upon certain principles to be taken into account by the tribunal and specify this in the compromise. The rules of procedure of the tribunal are often specified in the compromise and decided by the parties by agreement as the process commences (Shaw, 2003).

Arbitration is, therefore, formal juridical procedures. A state would not opt for it unless it was confident that its case carried sufficient juridical weight to make likely an arbitral award in its favor. Regardless of the flexibility of one process or the rigidity of the other, the fact remains that at every step states may indulge variant forms of amicable settlement of their conflict or difference on their own volition (Buhning-Uhle & Kirchhof, 2006).

2.2.4. Pacifism

Pacifist rejects war in favor of peace. Pacifists believe that war is the result of minor conflicts and clashes, whose avoidance averts possibilities leading to war. According to the pacifist view, war has no moral justifications. Pacific settlement of dispute is more than the contemporary term of “conflict resolution”. The latter deals with legal and political set of arrangements for resolving disputes of conflicts. Pacific settlement of dispute is involves an extensive healing measures, more of them are inter-governmental interaction (Northedge, 1976).

A) Negotiation

Negotiation is a consensual bargaining process in which the parties attempt to reach agreement on a disputed or potentially disputed matter. It usually performs all the parties involved, without the interventions of third parties for the purpose of reaching an understanding or to arrive at their goal of mutually satisfactory settlement. Though mostly it is viewed as a means to an end like other means, negotiation can easily be converted into the end in itself (Mclean & McMillan, 2008). Negotiation can be also described as a dialogue intended to resolve disputes, to produce an agreement upon courses of action, to bargain for individual or collective advantage, or to craft outcomes to satisfy various interests. It is the primary method of alternative dispute resolution. It

is one of the most common approaches used to make decisions and manage disputes (Moore, 1991).

Of all the procedures used to resolve differences, the simplest and most utilized form is understandably negotiation. It consists of discussions between the interested parties with a view to reconciling divergent opinions, or at least understanding the different positions maintained without involving any third party (Shaw, 2003). The negotiator will need to select a general negotiation approach. There are many techniques, but the two most common approaches to negotiation are positional bargaining and interest-based bargaining (Pruitt, 1991).

Negotiation is another active method of settlement procedure as the parties decide among themselves how best to resolve their differences. Due to hostile public opinion one state may prevent the concession of certain points and mutual distrust that complicate the process, while opposing political attitudes may be to preclude any acceptable negotiated agreement (Shaw, 2003).

During the early part of the twentieth century, academics developed ideas suggesting that agreement often can be reached if parties look not at their stated positions but rather at their underlying interests and requirements to reach a decision that benefits both parties. Nevertheless, principled negotiation theory assumes that conflict is caused by incompatible positions and a zero-sum view of conflict being adopted by the conflicting parties (Simon et al., 2000). Thus, any negotiation process should focus on their interests (rather than fixed position) that offer mutual gain for both parties.

B) Good office and mediation:

The employment of the procedure of good office and mediation involves the use of a third party, whether an individual or individuals, a state or group of states or international organizations, to encourage the contending parties to come to a settlement. Nevertheless, arbitration and adjudication, the process aims at persuading the parties to a dispute to such satisfactory terms for its termination by themselves. Technically, good offices are involved where a third party attempts to influence the opposing sides to enter into negotiations. Where as mediation implies the active participation in the negotiation process of the third parties it self (Shaw, 2003). The Secretary-General (UN) jointly with office-holders of regional organizations may undertake good office. As

long as the Ethiopian and Eritrean positions remain difficult to come face-to-face negotiation, good office and mediation are vital tools at the pre-stage peace initiatives.

2.2.5. Compromise

Compromise is a basic negotiation process in which both parties give up something that they want in order to get something else they need more. It is also an approach to conflict in which people gain and give in a series of trade offs; while satisfactory compromise is generally not expected (Academic Leadership Support, 1998). However, in compromise situations, neither side gets all of what they really want, but they each make concessions in order to reach an agreement that is acceptable to both. It is the pooling of individual needs and objectives towards a common goal often called "Win-win problem-solving". It requires assertive Communication and cooperation during the negotiation in order to achieve a better solution than either individual could have achieved alone (Academic Leadership Support, 1998).

Compromising involves finding an expedient mutually acceptable solution, which partially satisfies both parties. In this situation a party is partially assertive and partially cooperative. Compromise becomes necessary in situations where the positions of the parties are so incompatible that the two cannot be reconciled without both of them losing something in the process (Gaya, 2004).

To sum up conflict resolution and the means described above such as arbitration, negotiation, and compromise are considered as important tools to find out the solution for the deadlock, However this is by no means to suggest the mentioned approaches are the only means available to analyze the inter state conflicts. The operationalization of such key terms and conceptual thoughts will be made clearer in the discussions.

Therefore, this thesis used the above methods to examine critically the various chapters and testing the given theories with the empirical fact with a view to assert appropriate solution. This is important to analyze the deadlock and remedies of the Ethio-Eritrea conflict. The above-mentioned theoretical frameworks have been developed from various perspectives.

2.3. Ethio-Eritrean Conflict within the African Conflict Context

2.3.1. Characteristics of Conflict in the Horn

In order to have a comprehensive understanding of the Ethiopia-Eritrea conflict, it is important to put it in the wider context of the contemporary African conflicts. Most of the conflicts that plagued the African region at the time had deep roots in the economic collapse of the states concerned and the inability of the leadership to deliver on basic social and economic needs of the people. Poverty, lack of social opportunities for advancement, bad governance, social and political exclusion are some of the underlying factors of conflict in Africa (Abdella, 2001). Also boundary and territorial disputes have caused some of the explosive conflicts in Africa and it's largely the legacy of colonial era. As a result, the Horn of Africa has been one of the most fragile regions in the world, and close observers have not hesitated to add to the proliferate ideas, about the major sources of conflict of borders, poverty and identity among others (Medhane, 2004). This sub region has come to be defined by the frequency and intensity of its violent conflicts.

The first feature of conflict in the Horn is its prevalence; there have been consistently high levels of violent conflicts throughout the region for the best part of the last century and before. Conflict has occurred at every level-within states, between states, among proxies between armies, at the center and in the periphery. This appears to have created habits of war including reliance on the use of force to achieve political goals that in turn contribute to the persistence of violent conflict (Healy, 2008).

Another common factor in the Horn is a very poor record of governance throughout the region. Democratic accountability has been largely absent. There is a history of regime change through violent rather than peaceful means, reinforced by a culture of militarism. While conflict takes different forms, according to local conditions and traditions armed rebellion of one sort or another is always high among the options for dealing with political grievances. The basis of statehood has also been under constant challenges for at least three generations (Healy, 2008).

The painful and violent process of state formation and disintegration is evident in the dynamics of Ethiopia and Eritrea, Sudan and the South Sudan. There are deeply contested views of the self that should do the determining and disputed versions of whether and how 'self determination' can

be achieved within or beyond existing territorial boundaries (Healy, 2008). The above historical context has a significant contribution to the contemporary situations of the Horn including that of the Ethio-Eritrean one.

2.3.2 Ethio-Eritrea Conflict

Various scholars have written about the prolonged war between Ethiopia and Eritrea from different points of view, which are approached from a variety of perspectives. Nevertheless, it is difficult to pin down a single factor that led to deterioration of Ethio-Eritrean relation. Political observers and economists attribute the sourness of the relation because of different factors that created deep-rooted irregularities. Accordingly, political, historical, colonial and economic irregularities in their respected relation have contributed to the deteriorating relations (Medhane, 1999). Therefore, based on these arguments, the thesis will discuss some of the arguments as presented by some scholars in this specific field and positions taken regarding the nature of the conflict between the two neighboring countries.

A. Historical aspects of the conflict

Although, the Italian colonialism was the evolution of a distinct identity on the base of the growing gap between the socio-economic relations of Eritrea and Ethiopia, the population particularly the Tigringa, Afar and Kunama in both countries belonged to the same identities before the colonial power controlled Eritrea (Negash & Tronvoll, 2000). As historical recording tried to inform us, Eritrea was colonized by Italy in 1889 and legitimized as Italian colony by the Wuchale treaty between Italy and Emperor Menilik. Italy's colonial control and administration continued until the end of the Second World War. Nevertheless, after the defeat of the Axis power by which Italy became part of it, one of among the victorious allied powers, the British Military Administration, took responsibility to administer Eritrea as trusteeship from 1941-52 (Bahru, 2006).

In 1952, despite the credibility and truthfulness of the popular referendum undertaken in Eritrea to decide their fate remained arguable and controversial according some writers. Based on the outcome of the referendum the UN decided to incorporate Eritrea with Ethiopia under federal arrangements having autonomy and certain special rights (Ghebre-Ab, 1993). After exercising its autonomous rights and practicing some modernization process better than the Ethiopian

structures for about ten years, in 1962 Emperor Haile Selassie ordered the removal of Eritrea's federal status without the full consent, interest and knowledge of the Eritrean people and incorporated it as the 14th provincial Administration of Ethiopia by undermining the decisions of the UN and the agreements and treaties Ethiopia pledged to respect. This brings about grievances and complaints on Ethio-Eritrean future relations (Henz, 2000).

The armed struggle against the incorporation of Eritrea with Ethiopia began four years before the formal dissolution of the federal arrangement. As pioneer the ELM had been endorsed in its political struggle against Ethiopian rule since 1958 (Henz, 2000). But strongly and militarily, the opposition to the decision of dissolving Eritrea's Federal arrangements and status began around 1962 under the leadership of the ELF, following ELM's initiatives. Since then the front began to endorse and advocate both political and armed struggle against the decision and further Ethiopian rule in Eritrea until 1974 (Kinfe, 2004).

After the fall of the Imperial regime, unfortunately the Derg was able to control the political power in Ethiopia. Then, the Derg's alternative was repressive and bloody military campaigns in Eritrea, which happened to develop resentments and dissatisfactions on the side of the Eritrean population. In 1991 together with the TPLF led EPRDF, EPLF became victorious against the Derg repressive rule and got its independence.

Nevertheless, based on their historical relations, both TPLF/EPRDF and EPLF began to manifest mutual mistrust and suspicion. Such nature of their relations and its consequent impact on the leadership of the fronts as the governing party in both countries had had a negative impact on both front's attitude and assumption in regard to their mutual relations and assessments that in latter time challenged the normalization process in the aftermath of 1998. These circumstances have done much to obscure the profound differences between what each movement sought to do, and how they set out to do it. They have also obscured a history often characterized by competition, tension, dispute and mutual criticism (Vaughan, 1998).

Despite the complicated relations between TPLF/EPRDF and EPLF as ruling party of Ethiopia and Eritrea since 1992, the nature and character of both fronts relations were influenced and tuned in the mood of avoiding discussing issues openly and formally; thus resorting to communications by innuendos, which leaves a lot of room of misinterpreting each other's intentions and expectations (Dimasarbo, 2006). That asserts the habit of behaving like liberation

fronts. It averted the formal enactment of treaties between the two states after they separated. When misunderstandings on a number of issues surfaced, a formal agreement was unavailable thereby contributing to the escalation of minor differences into full-scale war (Bahru, 2006). These historical events have been interpreted as one of contributing factors to the root causes which conceptualizes the present conflict within a longer historical perspective and identifies a deep-seated tradition of autocracy compounded by foreign interventions as the conflict's root cause (Bahru, 2006). This habit of considering violence as the only appropriate means to resolve any dispute whatsoever, which is witnessed in the history of the two governments time and again, is attributed to the absence of a strong democratic tradition in both countries.

Therefore based on the above assessment, TPLF/EPRDF and EPLF's victory to control the state power in Ethiopia and Eritrea after their concerted efforts against the deadly military regime in Ethiopia had been viewed as progressive and expected to change the whole uneasy relation and history of the two countries as well as the Horn regional politics (Welde Giorgis, 1999; Addis, 1998). However, in relation to the cooperative optimism in both countries, prior to the incident of May 6, 1998, depending on various unsettled issues and resentments, both Ethiopia and Eritrea had complaints concerning some incidents along the border and also the negative practices in both sides.

In this historical discourse, both fronts' relations were characterised in cooperation and smooth relations or full of differences and conflicts. Since its beginning both fronts relations were not able to escape from the general trends of the Ethio-Eritrean relations and conflicts due to the influence of the social, economic and historical differences. By transcending time, even though both fronts had historic cooperative relations to overthrow the Derg and also able to forge exemplary relations in the post 1992 Ethio-Eritrea relations, the overall cooperative relations and harmonization efforts in both sides since 1993 could not hide the inherited ideological difference between the two ruling parties (Welde Giorgis, 2004).

Aiming to assess and analyze the contemporary situations, in addition to the general trends and natures of the relations and conflicts, the overall trends and nature of the TPLF/EPRDF and EPLF relations are vital in explaining the current outbreak of violence and escalation of conflicts between Ethiopia and Eritrea. It seems obvious; however, to make these historical differences relevant and applicable in explaining and delegitimizing each other's positions (Young, 1996).

B. Political and Economic aspect of the conflict

In dealing with the cause of the war, the political aspects of the causes of the war are expressed in terms of the political and ideological differences between the two regimes since their experience in the guerrilla struggle. After Eritrean independence both states have failed to respect norms of inter-state relationship. Based on the historic ideological, strategic and political difference between the two fronts and its impacts had also affected both fronts impression and strategy on how these fronts are able to sustain and survive after victory (Medhane, 1999).

How can countries only five years' old manage to affect an adversarial or outright belligerent posture with all its neighbors? If stirring trouble and creating conflict were a measure of political success, Eritrea by now would have been of importance out of all proportion to her tender age, her modest size, and her humble human and material resources (Andreas, 1998:79).

The overall political problem in Eritrea and as a sensible cause of the war is "the personification of Eritrean politics and their pretext to externalize the problem" (Erlich, 1999; Addis, 1998).

While, in relation to the above orders of interstate relations, the separation of Eritrea as independent state since 1992 and particularly after the 1993 referendum had created resentment on the side of Ethiopia's varied political groups and actors that consequently affected both ruling fronts and countries internal and external relation policies. Accordingly, these political actors or elites appeared to oppose not only the new regime's position on Eritrea's future but also seriously rejected the independence and recognition of Eritrea as new nation state. Instead they regarded it rather as an integral part of the tradition of the "Greater Ethiopia". Based on this, the policy and position of the EPRDF led new government on the Eritrea issue raised serious objections and locally affected the popular acceptance and legitimacy for some time (Negash & Tronvoll, 2000).

Despite the ups and downs to continue a normal cooperative exchange, relations between the two countries deteriorated seriously from early 1997. Viewing the cause of the conflicts economically, the way the Eritrean currency, Nakfa, was introduced and other differences on economic and trade related policies, with the frequent increment of port charges and other

economically illegal acts of Eritrea inside Ethiopia had been believed by many scholars as basic issues that negatively affected both countries' relations. The decision of the Eritrean government to issue its own currency, its expectation that this new currency would function at parity level with Ethiopia's, and the latter's refusal to go along with this expectation created what the Eritrean government described as an unacceptable situation. The Eritrean government went even further in its rejection of Ethiopia's trade policy stating this could lead to undesirable consequences. It is worth remembering that trade and currency negotiations between the two countries had virtually broken down (Negash & Tronvoll, 2000).

As a result, the protracted conflict between Ethiopia and Eritrea over the disputed village of Badme has considerably challenged the geopolitical framework of the Horn of Africa in the last few years. The conflict has polarized the precarious political balance all over the Horn, both at the level of the state and of the armed opposition group (Farah, 2004).

To sum up, this chapter has explored some theoretical frameworks, concepts and review of the conflict that laid the ground to the study. Accordingly, though there are several theories that are available in the literature to identify the causes and solutions for the inter-state conflicts, the non-zero-sum game and bargaining theories are considered as relevant instrument to analyze the Ethio-Eritrean conflicts. These theoretical frameworks are important to set the parameters that help to examine the research topic. Moreover, a brief review of literature has been made to address the Ethiopia-Eritrea conflict within the wider context of African conflicts. The thesis uses these frameworks to examine and test theories in accordance to the empirical fact with a view to assert appropriate solutions.

In the next chapter, the thesis focuses on detailed examination of the causes of the conflict, assesses the root cause, the pre-war peace attempt and impact of the Ethio-Eritrea war.

CHAPTER THREE

Causes of Ethio-Eritrea Conflict and Resolution Attempts

3.1. Ethio-Eritrean Relations before Independence

Understanding the historical background of Ethio-Eritrean relation helps to comprehend the complexity of the conflict. This also provides a better explanation of relations between Ethiopia and Eritrea, the colonization of Eritrea which began from a small concession gained by the Italians near Asseb in 1869, Italy extended to Massawa in 1885 and in most of Eritrea in 1889, which was completed through the recognition of Emperor Milinik II under the treaty of wuchale (Ghebre-Ab, 1993).

The period of Italian occupation lasted from 1889-1941 after which Eritrea became a British protectorate from 1941-52 followed by the period of federation from (1952-62) (Ulf & Terlinden, 2004). The dissolution of the federation consequently generated an armed resistance, which took root months after the annexation of Eritrea to Ethiopia in 1961. The Eritrean Liberation Front (ELF) was formed to be followed by the Eritrean People Liberation Front (EPLF) (Medhane, 1999). The results of the protracted Eritrean struggle for Liberation was supported by the emergence of the Tigray People's Liberation Front (TPLF) in 1975 and later the Ethiopian People Revolution Democratic Front (EPRDF), which fought as paramount Ethiopian, armed resistance movements. After the coup in 1974 Emperor Haile selassie was replaced by the military junta, which named itself "Dergue". This regime was also finally overthrown in 1991, where the EPLF fully controlled Eritrea while the EPRDF replaced Ethiopia administration (Kinfе, 2004). Hence, despite ups and downs of the Ethio-Eritrean historical background, both countries have a common shared value and strong bond in historical, cultural and socio-economic aspects.

3.2. Eritrean Independence and its Relation with Ethiopia

May 1991 marked an important milestone in the modern political history of Ethiopia. The secession of Eritrea from Ethiopia came up being followed by an interim period of two years in the de facto independence in 1991. A referendum was held, on 24 May 1993 and Eritrea gained

national independence after a thirty-year war of liberation from Ethiopia (Negash & Tronvoll, 2000). Thus, Ethiopia became the first country to give political recognition to the upcoming new state in the Horn of Africa as first building block of mutual coexistence between the Eritrean and their new Ethiopian partners (Iyob, 1993). The people for both countries and the international community had believed that the prolongation of conflict had already ceased and the future was full of hope for peace and cooperation between the two countries (Iyob, 1993). Moreover, the period following Eritrea independence was marked by the close cooperation between Ethiopia and Eritrea and numerous bilateral treaties were also entered between the two countries to foster close relations (Habte Selassie, 2006).

Within this context, Ethiopia and Eritrea functioned as sisterly states with exemplary relations with smooth movement of people, goods, and services. There was no strict requirement in cross border interaction; with this process, both countries operated their business under one currency. Ethiopia was given free access to the Eritrean port and Eritrean to use most of Ethiopia's facilities such as the telecommunication and postal services. Ethiopia also had provided the necessary collateral for Eritrea to access funds from international institutions. They planned to harmonize foreign policy approaches and signed a military pact (Kinfe, 2004). There was optimism and hopes of the international communities that the close and smooth interstate relations and cooperation between the new rulings groups in Ethiopia and Eritrea; the hopes foundered, however, in May 1998, when hostilities began between the two countries has change the hope by destabilizing each other as well as the entire Horn of Africa (Negash & Tronvoll, 2000).

3.3. Ethio-Eritrean Conflicts: its Causes

The outbreak of war between Ethiopia and Eritrea in early May 1998 has introduced a major new destabilizing element in both countries as well as in the regional and trans-regional politics. Even if the war ends with unimaginable cost and consequences, the root causes of the war remained ambiguous (Addis, 1998; Henz, 2001).

Regarding the conflict and the crisis of the two countries, identifying the real cause of the Ethio-Eritrea conflict has become a subject of much debate and writing, among academics, politics and diplomatic fields, concerning the underlying as immediate causes for the outbreak of 1998

conflict. In this regard the cause of the conflict is much more complex and comprehensive than what many people have originally envisioned. Analyzing the main cause from different perspectives, classified as territorial, historical, political and economic causes, is an appropriate approach.

3.4. Root Causes of the Conflict

A) Economic

Some intellectuals and politicians view the economic cause of the conflict as follows:

Currency Problem: First, Eritrea vigorously requested that Ethiopia allow the new Eritrean currency the “Nakfa” to circulate inside Ethiopia. Ethiopia refused this request. Second, Eritrea demanded that Ethiopia convert its stock of old Birr into US Dollars. This was also refused (Leenco, 2006). Contravening the monetary policy the Eritrean government officially exchanged one US dollar for seven Birr while the official exchange rate set by Ethiopia was five birr for a dollar (Ghidy, 1999).

On the one hand, Eritrea’s decision to issue its own currency provoked Ethiopia to declare a classical protectionist policy. Trade between the two countries, which had been paid for in the Ethiopian currency, would henceforth be paid in hard currency. While Eritrea naturally interpreted this as a punitive measure taken against them for daring to exercise crucial function of sovereignty (Habte Selassie, 2006). Therefore, the introduction of Nakifa with its attendant problem is one revealing episode of the vulnerability of an Eritrean Economy that is detached from the Ethiopian one (Kinfе, 2006).

Trade Problem: Eritrea’s largest trading partner was Ethiopia, accounting for 67 percent of Eritrean exports. Despite the end of the common currency arrangement between Eritrea and Ethiopia in 1997, accordingly the trade balance in both countries had dropped from 100 million to 10 million in just one year, 1995-1996. The value of imports from Ethiopia exceeded those of Eritrean exports by about 60 million Birr in 1997. At the same time, the value of re-exports fell to an all-time low of 19.8 million Birr, a drop of 50 million Birr from that of the preceding years (Kinfе, 2004). In the area of bilateral trade there were signs of Eritrean duplicity in that they would prefer to levy duty on Ethiopian goods while their goods entered Ethiopia duty free.

Dialogue and negotiation could not solve this problem and finally duty had to be imposed on Eritrean goods.

Ethiopia had also restored to protectionism and applied street controls on Eritrean traders at the various border check-points, by 1995-1996; the Eritrean side was already realizing that progress in the trade sector was not likely to proceed as intended. Eritrean goods were being delayed at checkpoints that goods classified as “export items” were barred from entering Ethiopia. Eritrea desired to continue having preferential access to the Ethiopian market. Ethiopia of course required that Eritrea simply conduct its trade within Ethiopia using hard currency (Iyob, 1993).

Divergent Economic Policy: The agreement in the economy was perhaps the most important section of the Agreement on friendship and cooperation signed in 1993 (Tronvoll, 2004). Despite the crucial significance of the agreement, there were no steps taken towards implementation. Instead, both countries pursued different economic development approaches and policies. Eritrea had consistently viewed itself as the centrepiece of economic activities in the Horn of Africa. As such it had based its economic strategies with an assumption that Eritrean companies would have preferential access to the Ethiopian market. It also planned that it would be an export-based manufacturing and financial service centre for the region (Medhane, 2004). However, Eritrean plans contradicted with Ethiopia’s intention to develop its own manufacturing capacity and to process its own raw materials rather than simply import from Eritrea. The Ethiopian strategy as officially expounded, was based on the development of its agricultural potential and building up agriculture-based industry. Such a move aimed at substituting various imports, including those from Eritrea caused resentment across the border (Solomon, 1998).

As the result, at the end of 1996, the delegations of both countries evaluated and noted that the 1993 protocol agreements had been set with serious implementation problems. (see appendix 2) The two countries then agreed to establish a joint review committee, which produced report that the two countries had widely differing views and positions in terms of economic cooperation. After this, the ministerial commission was disbanded and a joint party commission was established in its place. Like its predecessor, this commission could not proceed with the tasks it was assigned and instead raised several problems with regard to ongoing economic relations between the two countries, which led to its disbandment. The Eritrean delegation complained that Ethiopian policies were shutting off the Eritrean economy, while the Ethiopian delegation

pointed out to the series of tariff and non-tariff barriers facing Ethiopian traders. It is relevant to note here that the Eritrean government accused Ethiopia of pursuing a protectionism policy with Eritrea and has in effect rejected the Ethiopian proposal (Negash & Tronvoll, 2000).

Generally, the prevailing economic hardship in Eritrea and the ambition of Eritrean authorities had contradicted with what they had promised their people and the international community to create their own "Singapore of Africa" in the coming few years (Kinfe, 2004). Nevertheless, they were not realized as promised since their ambitions were based on unrealistic premises. In essence, the newly born state of Eritrea has found it very difficult to accept the reality that it no more enjoys the benefit of economic dependence from its big neighbor Ethiopia. It is difficult to reconcile such mutual exclusive perception between the two sovereign countries a relationship that benefits Eritrea in the expense of Ethiopia. Hence, Economic issues have played such a crucial role in Ethio-Eritrean conflict.

B) Conception of Military invincibility

Historically the relationship between the fronts has been always an issue of contention; EPLF had always perceived itself as a senior and dominant front in the region (Negash & Tronvoll, 2000). As pointed out earlier, during the armed struggle tensions due to EPLF's desire to be treated as "senior" and TPLF's wished to be treated as an equal partner was apparent. After victory and taking over of political power, EPLF maintained its old psychological perception of seniority and attempted to assert itself in the region (Tronvoll, 2004). The new Eritrea under EPLF's leadership wanted to play the leading role in the development of the horn of Africa. Eritrea's clashes with Sudan, Djibouti and Yemen are cases in point to illustrate Eritrea's hegemonic ambition in the region (Medhane, as interviewed on, May 14, 2009). Nevertheless, relying on its wide resources, Ethiopia appeared much more hegemonic than Eritrea imagined. As a "big brother", EPLF was not ready to accept the new dominant role of Ethiopia (Tronvoll, 2004).

The political setup and systemic reality within Eritrea created enabling environment for the government to rely on its military strength to impose its ambitions of discrimination the sub-region.

The Elite on the Eritrean side used military invincibility as an instrument for dictating its terms Eritrea in contrast to Ethiopia is united by victorious nationalism

consolidated by unitary rule under a government by uncontrolled powerful party. The leadership is free of constitutional, parliamentary or cabinet rule. Moreover, within an army never democratized and whose members are continuously in reached through uninterrupted mobilization, the leadership is endowed with a strong military arm. And free of political and legal checks therefore in a position to deploy its military power as it pleases (Andreas, 1999:81).

Based on this, Eritrea's 'hegemonic project' and the dream as the mini super powers, the Ethio-Eritrea war may belong to interstate rivalry over the rank and status [in the region] (Medhane as interviewed on may, 14. 2009).

In this regard, the "guerrilla mentality" (Kinfu, 1999) and the erroneous assumption (Addis, 1998) of the Eritrean leadership are therefore, fundamental causes of the war (Addis, 1998).

We fought the forgotten war, everyone was against 'Winning that war meant we came to exist as a nation, we came to be known. So now it's a question of not losing our identity. First we will go to war, then we will negotiate from a position of strength (Wrong, 2005, P.370).

The excitement of the independence and the image of self-inflation and understanding the will power of the people of neighboring countries made the Eritrean leaders think that they could do any thing they feel in the region. Eritrean leaders consistently believe that there is apolitical vacuum in all the neighboring countries. This Makes the conception of legitimacy of military invisibility as a factors that derived Eritrean leadership to its outright bell gent posture, consequently to the wrong direction (Medhane as interviewed on May 14, 2009).

"Today, a very small leadership circle dominates all aspects of political, economic, and social life. Even ministries have little power, as effective authority comes from the Office of the President and a small group of presidential advisers" (Lyons, 2006:12).

As indicated above Eritrea's foreign policy is strongly shaped by the narrow circle of the leadership of the PFDJ, it may be assumed that personal and psychological factors have an impact on its foreign policy.

The notion that continuing the destabilization strategy can best check Ethiopia is not the only widely held Eritrean view, but the later appeared also to have developed the tendency to take its frustration out beyond its borders. In this regard, having failed to become a regional hegemony, the only way to keep its security is to actively involve in regional conflicts and consistently seek the attention of global powers. Whether it is a misperception or just a state of mind, it seems to have unfortunately shaped the calculations of the Eritrean leadership (Medhane as interviewed on May 14, 2009).

Therefore, the Eritrean leadership has resorted to war for settling their political and socio-economic problems. To this effect, the Eritrean foreign policy happen to be designed based on the wrong assumption of Eritrean leaders. The perception to create strong Eritrea is a sense of military invincibility that they have capacity to force all their neighbors fulfill their economic interest. It was with this mentality that they invaded all neighbors except Saudi Arabia. Similarly, in the case of Ethio-Eritrea conflict, the territorial claim was coined to serve as a cover to reverse the economic frustrations in the Eritrean government and push the Ethiopia government to accept terms and conditions of the Eritrean side. This implies that how Eritrean leaders use the conception of military invincibility as instrument to fulfill their ambition. Both economic interest and conception of emerged military invincibility have therefore, as inseparable components of the root cause of the Ethio-Eritrea conflict. Currently, however, the so-called military invincibility seems seriously weakened because of both the military defeat of the Eritrean army as well as continued deterioration of the overall political atmosphere. Given the recent history of the countries independence and nationalism, nonetheless, it is still difficult for many Eritrean Elites to accept the reality or swallow their pride in the face of a hostile neighborhood.

3.4.1. Subsidiary Causes

A) Historical

The root causes of the war could be traced back in history to the imperialist policy of great powers of Europe, an international phenomenon during the 19th century up to the 30 years bloody fighting and the revival of historical antagonism between Ethiopia and Eritrea (Welde Giorgis, 2004; Addis, 1998). History as a cause for the Ethio-Eritrea war, in fact, has contribution but in

comparison to other stated causes, rather it is triggering factor than root cause. As an international phenomenon during the 19th century, the colonization of Eritrea in 1889 did not only create a new independent state of Eritrea but also able to forge a separate identity and such separation from Ethiopia viewed as base for “historical causes of the current conflict” (Addis, 1998). As a result of the socio-economic improvements created by the Italian colonial legacy, Eritrea developed a distinct Eritrean identity and a sense of “civilized” against their counterparts in Ethiopia (Negash & Tronvoll, 2000).

Besides this, the dehumanisation of the colonial rule and the repression of the backward feudal and military rule of Ethiopia on the Eritrea people contributed to the current grievances. In addition, as part of the colonial history, ‘the complexity of trans-boundary identity’ created by the colonial legacy had been triggering the conflict.

It is better to understand the current deadlock from a longer historical perspective. Over the past half a century, Ethiopia and Eritrea have seen several fluctuations in their relations. They have gone from federation to unity, from war to peace, and from amicable divorce, co-operation and integration, back to war (Leenco, 2006). These historical causes may not have considered as root cause of the conflict, but can be taken as contributing factors to the recent troubled war.

B) Political

The political aspects of the causes of the conflicts are expressed in terms of the political and ideological differences between the two regimes since their experience in the guerrilla struggle. Historically, the relation between TPLF and EPLF was recorded as tense and full of problem till 1980s except for brief times. Based on the historic, ideological, strategic and political difference between the two fronts and its impacts had also affected both fronts impression and strategy on how these fronts were able to sustain and survive after victory. (Medhane,1999).

In regard to the political causes, the view of democracy in both systems still appears with the vanguard party representing the will of the people as interpreted through the party (Gilkis, 1999). The central controversy in the political realm was the role of ethnicity in politics. On the basis of their decades old political conviction, both EPLF and TPLF launched contrasting political processes in the aftermath of 1991. As a ruling political party, TPLF/EPRDF introduced a federal structure on the basis of ethnic federalism. The right of nations and nationalities to self-

determination including secession was incorporated as part of the constitution promulgated in 1995. Eritrea, on the other hand, adopted a unitary and centralized state (Negash & Tronvoll, 2000). Political difference between the regimes also stemmed from the federal system adopted in Ethiopia. The government in Eritrea had been opposing the ethnic based federalism and was trying to contain the system not to be infused to Eritrea (Leenco, 2006).

The Eritrean government has considered the infant democratic pluralism in Ethiopia is a major source of weakness while the Ethiopian government believes that the Eritrea regime's rejection of democratic pluralism and more straightforward advocacy of guided democracy is a weakness of Eritrean ruling party. Moreover, the ideological differences between TPLF and EPLF during the years of struggle will be also reflected in their present and future relations (Young, 1996). All those who attributed the outbreak of the conflict to the absence of democratic culture and institutions appeared to advocate the promotion of democracy as the necessary prelude to finding final settlement.

In conclusion, the cause of the Ethio-Eritrean war has multifaceted aspects. Even though, the war was immediately caused by the boundary incursion of the Eritrean government, the overall assessment on possible but real root and peripheral cause of the crisis lays on different. In this case, though the boundary issue served as an immediate cause of the conflicts, the conflicts between Ethiopia and Eritrea involves a historical, economic, political and other interrelated various factors than simple border dispute (Leenco, 2006). Accordingly, the border dispute served as manifestation of the sum of other causes of conflicts.

3.4.2. Immediate Cause

Territorial

Historically, as a result of the 1884 Berlin conference, "Africa was sliced up like a cake, the pieces swallowed by five rival European nations" (Pakenham, 1992:12). After the end of the partition and following the liberation from colonialism, boundary and territorial disputes have caused some of the explosive conflicts in Africa. The frontiers were artificially delineated; they paid little concern to natural and geographic boundaries or to the inhabitants of the territories. In many cases dividing ethnic groups or bringing together various groups, thereby sowing the seeds of future conflict matters were also worsened because many frontiers were not definitively

delimited (Hassen, 2000). Moreover, the interpretation of colonial treaties might have been inadequate method to decide the real boundaries of those countries since; Africa is the exception in having its boundaries decided by third party treaties (Healy & Plaut, 2007).

Based on these arguments, in fact, the border dispute of Ethio-Eritrea is viewed as the immediate cause of the war. When Eritrea became independent (de facto in 1991, de jure in 1993), Eritrea succeeded by the colonial treaty between Italy and Ethiopia (Addis, 1998). Accordingly, its boundary was not defined and simply assumed that it was the boundary established by Italian colonial rule. It was also conveniently forgotten that the boundary of Eritrea had changed several times in the course of the last half a century. It was pointed out that the border issue as an area of disagreement surfaced during the armed struggle against the Derg government but was postponed to be addressed in the aftermath of the downfall of the military regime in Ethiopia. However, the un-demarcated border, which previously had no effect on economic life suddenly, became a real trade barrier across which transaction cost would be incurred. Derived from these arguments, apart from its significance as main reason to the conflict when Eritrea decided to invade Ethiopian territories, the border issues seemed to trigger accumulated series of problems between the two countries (Healy, 2008).

To sum up the mediation process and the subsequent Algiers agreement, however, reduced the causes of the conflict i.e. the economic and conception of military invincibility to the manageable one of border dispute.

3.5. Prelude of the Conflict and Position of the Conflicting Parties

It is important to understand how the Ethio-Eritrea conflict has transpired immediately before and after the actual clash between the two countries. The solidarity between the two governments remained constant for a few years following the independence of Eritrea. However, the challenges were beyond what they seemed. Particularly both countries had problems in reconciling their economic policies especially after Eritrean government issued its own currency (Kinfu, 2004). Nevertheless, none of these factors were enough to trigger war.

The situation could be characterized as a period of self-preserving measures and counter-measures against each other. Gradually, the subsequent events were continuing in the process of replacing the years of alliance. Since the rift was getting wider and wider, each country was in a

race to achieve its goals, and neither side attempted to check whether the common “vision” was equally shared given the divergent strategies being perused (Iyob, 1993). The following section will deal with both governments’ accounts and positions on how and what led to the sudden eruption of the conflict.

A) The Ethiopian Government Position

According to the Ethiopian position, the question of territorial claims surfaced once again. Following the demise of the military regime (the Dergue), the new governments in both countries agreed on two fundamental ways to resolve the problem. The first was to resolve the border issue by peaceful and legal means through dialogue. The second understanding reached by both parties was that the two countries should respect, maintain and administer their territories they had inherited with the demise of the Dergue and to wait for an appropriate time to delimit and demarcate the border. After this understanding on resolving the issue was reached, the border question was not regarded as an urgent matter by both governments prior to, and even for some years after the 1993 Eritrean referendum. When relations of the countries deteriorated further as a consequence of all the economic issues, the border claim came to the fore (Ethiopian Foreign Minister, 1998).

Subsequently, on May 6, 1998, a conflict was triggered when armed Eritrean units entered some localities under the Ethiopian administration (Badme). (See appendix 4) According to the already existing understanding nationals of both countries could freely enter each other's territory unarmed. Thus, members of the Ethiopian police and militia who were on guard in the area brought to the attention of the Eritrean armed units that, in line with the agreement of both sides, it was prohibited to cross each other's territory with arms. The Eritrean troops not only refused to comply with Ethiopian police’s request but also opened fire and so there ensued an exchanging of fire causing some casualties on both sides (Kinfе, 2004).

On May 8, 1998, the Eritrean forces reinforced by tanks, armored vehicles and heavy artillery and commanded by three generals literally walked into the Ethiopian territory unimpeded because there was not even a single armed unit of the Ethiopian defense forces in the area. Following this Prime Minister Meles Zenawi directly talked on the phone, to Eritrea President Issayas Afeworki and demanded the unconditional and prompt withdrawal of the Eritrean

forces (Ethio-Eritrea conflict chronology, 2005). When the Ethiopian attempts to obtain an Eritrean withdrawal could not achieve the desired results the issue was brought before the Ethiopian Council of Ministers and the Parliament on May 13, 1998. The Council of Ministers and the Parliament then passed a resolution which:

Strongly condemned the unprovoked aggression perpetrated by the government of Eritrea as a flagrant violation of international law and many agreements reached between the two countries. Moreover, denounced the shameful attack by the Eritrean side on the sovereignty and territorial integrity of Ethiopia, Expressed the unwavering stand of Ethiopia for peaceful, legal and lasting resolutions of the dispute, and for this to be realized it called for the immediate and unconditional withdrawal of the Eritrean forces from the Ethiopian territory, which they were occupying. Declared that if the demand by Ethiopia for the immediate and unconditional withdrawal of the Eritrean occupation forces, paving the way for a peaceful settlement of the dispute was not heeded by the Eritrean side, Ethiopia reserved the right to take measures deemed necessary to safeguard its sovereignty and territorial integrity and the dignity of its people (see annex) (H.P.R document on May 13, 1998:1). This was interpreted in Eritrea as a declaration of war.

B) The Eritrean Government Position

Due to the sudden eruption of the issue, it would be difficult to pinpoint the various factors that led to the present situation. After struggling side by side for a long period we never thought that border problem would arise in the end, of after 1991 our thoughts for both of us was focused only on our future years. Our mutual relations have always been positive on many domains and border issues were taken lightly as isolated local problems. Nevertheless, over the last year things started to assume longer dimensions, for, developments took place around Badme follows started to put up piles of stones here and there for border demarcation on the Ethiopian side and this was accompanied by threats to those who moved around the place with their sheep and goats (President Issias Afewrki, as interviewed to the National Television of Eritrea, on, May. 12, 1998). Unfortunately, things went out of control and led to the amassing of forces on the part of Ethiopia. Later on Ethiopian army contingents that had already penetrated into Eritrea territories in the area around Badme, opened fire and caused damage on Eritrean units, thereby triggering a

cycle of clashes in the area (Statement of the Cabinet of Ministers of the Government of Eritrea on the dispute with Ethiopia, 14 May 1998). (see appendix 5)

Accordingly, Eritrea's handling of the crisis as, the current crisis has been aggravated by the statement issued by the Ethiopian Parliament accusing Eritrea for crossing its borders to invade Ethiopian territory was indicated by the Eritrean president's interview. The original statement did not give the exact location of the "invaded territory." The fact of the matter is that Eritrea had not violated international boundaries to occupy Ethiopian territory. In reality, it is Ethiopian forces that still remained inside Eritrean territory. As such, it is absurd to talk about Eritrean forces pulling out of Ethiopian territory and to stipulate "withdrawal" as a precondition for the resumption of negotiations. The Ethiopian authorities are also threatening about taking strong measures. This is a recipe for disaster, which can only be aggravating the present crisis (President Issias Afewrki, as interviewed to the National Television of Eritrea on May 12, 1998).

Nevertheless, the claims commission found Eritrea guilty of violating international law for triggering the border war by attacking Ethiopia in Badme and Laélay Adiabo District, which were under the peaceful administration of Ethiopia (Sally & Martin, 2007).

3.6. Pre-War Peace Attempts

The international and regional organizations could have played their role in influencing the two countries to desist from war and settle their differences by peaceful means. In this regard, the immediate reaction to curb the situation from further escalation came from the president of the Republic of Djibouti Hassan Guled Apteidon who shuttled between the capitals of the two countries and failed to bring a peaceful settlement of the dispute (OAU, 1998). The other countries to engage themselves in the peace process were Rwanda and the United States of America, On May 17, 1998 started joint facilitation meetings with both countries in a shuttle between Addis Ababa and Asmara, which continued until May 29, 1998. They formulated a four-point peace proposal to help facilitate the peaceful resolution including the request to withdraw the Eritrean force from the Badme to positions held before the outbreak of the conflict (OAU, 1998). (See appendix 6) As a sign of further effort, the role of the most African states via the then OAU was consistent in addressing the aggression by demanding Eritrea to withdraw its forces from Ethiopia territory to their positions before the outbreak of the conflicts.

In this respect, the OAU took over the responsibility to lead the peace process, at the 34th OAU Assembly of the head of state and government in Ouagadougou from 8-10 June 1998; a decision was taken by the summit to form an OAU High Level Delegation comprising four African leaders under the chairmanship of the President of Burkina Faso. Based on shuttle diplomacy, they visited Asmara and failed to convince President Issaias Afewerki to return to the status quo, before 6 May 1998 (Iyob, 1993). It was under those circumstances that the OAU felt that an Ambassadorial committee should be established to investigate the situation on the ground and they determine who had been administering Badme prior to 6 May 1998 (Negash & Tronvoll, 2000). The committee of Ambassadors from Burkina Faso, Zimbabwe, Djibouti and official from the OAU carried out its mission in the two countries from the 30th of June to 9th July 1998 on the bases of the mandate interest to it. Then the finding of the Ambassadorial Committee confirmed that Badme was under Ethiopian administration until, May 1998 (Iyob, 2000).

Accordingly, the OAU ministerial committee, the Algeria framework agreement and the main point demanded the armed force presently in Badme Town and its environment should be redeployed to the positions they had held before 6 May 1998 (OAU, 2001). (see appendix 7) Though Ethiopia accepted, the peace proposal that focus on demilitarization and demarcation of the disputed territory, Eritrea totally rejected the peace proposal on condition that it is incomprehensive (Kinfu, 2004). Eritrean President Issaias Afewerki made his decision clear by saying that “redeployment is morally unthinkable and physically impossible” (Ethio-Eritrea conflict chronology 2005:9), whereas, Ethiopia was firm on its stand rejecting ceasefire agreement before Eritrean withdrawal from Badme (Negash & Tronvoll, 2000).

Beyond this multilateral effort, there were other unilateral efforts by certain concerned countries like US. Seriously worried by the situation in the conflict between Ethiopia and Eritrea and its impacts on the Horn. The US government had sent its peace negotiator to both Ethiopia and Eritrea so as to settle their conflicts peacefully. In doing so, the first US senior diplomat who led the mediation team, Susan Rice in her first meeting with Eritrea’s president was treated in a manner that can only be described as one not befitting a head of state. Later, by convincing the Eritrean President the US was able to change its peace delegate and accordingly a veteran diplomat Anthony Lake was assigned to handle the Ethio-Eritrean conflict. Unlike Susan, Mr. Lake did not receive a similar treatment at the hand of President Issaias. Lakes’ superior

knowledge and experience was considered by many as the reason why President Clinton appointed him in place of Susan Rice, and in the end it was under his team leadership that the warring parties signed the Algiers agreement (Habte Selassie , 2006).

The efforts of the OAU, US-Rwanda and other mediators became fruitless because of Eritrea's resistance to withdraw from the disputed Badme arguing that it was Eritrean land and demanded the bilateral demilitarization of the zone. Rather, the power in balance that was manifested in the year 2000 created favorable opportunity to the mediators to settle for cessation of hostility rather than resolving conflicts.

3.7. The War (1998-2000)

As discussed above, the international and regional organizations had taken their share to ending the crisis by peaceful means. The failure was attributed to the incompatible interests and differing positions held by the parties (Henze, 2001). After all peaceful initiatives were exhausted; Ethiopia conducted a massive offensive breaking Eritrea's defensive line in numerous places invoking its right of self defense to reverse the armed attack by Eritrea (Kinfe, 2004). February 23-26, 1999 an offensive popularly known as Operation Sunset to recapture the occupied town of Badme. It was one of the most heavily defended fronts. After a three-day bloody battle of ground and air Power was conducted, the Ethiopian forces liberated Badme on 26 February 1999. The victory was celebrated across the nation (WIC, 1999).

However, an attempt by the Ethiopian forces to make the same breakthrough in the central front proved unsuccessful. Subsequent Eritrean attempts to regain Badme were unsuccessful and met with heavy casualties for the Eritrean army (Lortan, 2000). Once again a stalemate continued throughout 1999 and into 2000. In May 2000 Ethiopia launched an attack against Eritrean positions on all fronts. After a heavy fight for one week, Ethiopian forces broke through Eritrean trenches and headed deep inside Eritrea (Lortan, 2000). The battles in Zalmbasssa, Senafe, Tessenay, Barantu and Om Hagar near the Sudan border were some of the major areas of military engagement. As a result, Ethiopia occupied significant part of Eritrean territories considered important strategic locations to defend the liberated area from the Eritrean occupation. From 12 May 1998 to 14 June 2000 there were about some 45 major military engagements between the

forces of the two countries. Badme being a flash point and the fall of Tesenay to the advancing Ethiopian soldiers brought the end of the course of the war (Iibd).

The UN Security Council demanded an immediate cessation of hostilities and urged the belligerents to return to the OAU peace proposal. Britain and the United States proposed sanctions on Ethiopia including prohibiting the movement of Ethiopian diplomats. Africans' strongly opposed. France and Russia proposed further negotiations. The Security Council passed a year-long arms embargo on both sides (Henze, 2001).

The Ministry of Foreign Affairs of Ethiopia in its statement issued on May 30, 2000 declared that, the areas under its temporary occupation during the final offensive are Eritrean sovereign territories only occupied until regional or international mechanism of Security is in place. Subsequently, Prime Minister Meles said, the Ethiopia army would remain in areas it had put under its control until such time when we receive a guarantee that there would be no attack from the Eritrean side (Henze, 2001). Eritrea encouraged by the gradual withdrawal of the Ethiopian troops showed interest to return to the peace talks in Algiers.

3.8. Impact of the War

The 1998-2000 wars between Ethiopia and Eritrea is one of the recent and major inter-state wars in Africa with devastating impact on the socio-economic well being of the two countries. As many commentators call it the most "senseless" conflict and it is also the most misunderstood conflict by the international community. The tragic human cost is huge. It is estimated that more than 100,000 soldiers have been killed and more than 1.4 million people have been displaced on either side of the disputed border (Lortan, 2000). Moreover, massive material devastation, the demolition of physical infrastructure was some of the consequence of the war on the two countries. In terms of deportation and internal displacement between 1998 and 2000, over 70,000 Eritreans were deported from Ethiopia. Similarly, from 1998-2007 more than 110,000 Ethiopians were deported from Eritrea (Lortan, 2000). It has also an immense impact on both countries in terms of military mobilization and focusing government polices in a latent war that caused the importation of expensive weapons by shifting the development budget of both countries. Another direct impact of the conflict was that international development assistance was frozen for more than two years and that the two countries were denied access to the loans from international

lending institutions and from opportunities like debt cancellation and the special facilities pertaining to it with serious repercussions on the entire developments (Kinfe, 2006).

The paradox that Ethiopia and Eritrea have ended in crisis between themselves literally put almost all Horn countries in catastrophe of peace and security. Moreover, the Eritrea government has sought alliance to destabilized Ethiopia while the Ethiopian government has organized the Eritrean opposition force in order to delegitimizing the ruling elite in Eritrea (Assefa, 1999). Furthermore, both ruling elites attempted to consolidate its domestic position. After the war, important groups in each governing system openly dissented (Ulf & Terlinden, 2004). Ethiopia and Eritrea have resisted the spread of fundamentalist's aggressions to their respective territories rendering to be continued within the territories of the Sudan and Somalia. Nevertheless, the Ethio-Eritrea war has its own negative impact for the struggle against terrorism. Finally, the current continuing tension and unpredictable situation has seriously affected the peace and stability as well as the development in both countries. Especially in Eritrea it is the most critical issues, since the Eritrean government has more than ten years been on war weariness. This is its dominant character.

To sum up, given this unfortunate fact, the two countries are compelled to seek for ways by which they could normally improve their relationship and hence refocus their attention towards development and peace and good governance in their respective territories. This peace seems to fast to cover the more important and instructive aspect.

CHAPTER FOUR

Development Leading to the Current Stalemate

4.1. The Algiers peace agreement

After having sustained a heavy defeat on many of the war fronts, Eritrean President Issyas Afewerki wrote a formal letter dated 14 July 2000 to Algerian president Abdulaziz Buteflika. The letter announced that the government of Eritrea accepts the OAU's Framework Agreement, which called for a cease-fire and the withdrawal of troops from the disputed territories (WIC, 1999).

The offensive created urgency at the Algiers negotiation since the OAU Peace Framework Agreement was accepted by Eritrea. After further negotiations, President Issaias and Prime Minister Meles signed the Algiers Agreement on 12 December 2000. As a result, a Boundary Commission, a Claims Commission and a fact-finding body were established (Kilfe, 2004). The Algiers Agreement provided additional mechanisms that the Cessation of Hostilities Agreements (CHA) for the establishments of peaceful resolutions between the two parties.

According to the CHA, the parties agreed that a neutral Boundary Commission composed of five members should be established with a mandate to delimit and demarcate the border based on pertinent colonial treaties (1900, 1902 and 1908) and applicable international law. The Algiers Agreement further pronounced that the Commission shall not have the power to make decisions *exaequo et bono* (Algiers Agreement article 4 (2), 2000). The two sides agreed in advance that the decision of the Commission would be final and binding and would carry out 'expeditious' demarcation. In this regard, the most significant highlight of the Algiers Agreement was the acceptance by Eritrea that the UN Peace keeping could operate some 25 KMs inside the sovereign Eritrean territory (ICG, 2008). Hence, the peacekeeping force replaced the Ethiopian forces that had occupied large areas of Eritrean territory following the final military offensive.

Accordingly, The Security Council 1320 (2000) authorized the creation of the 4500-strong UN Mission in Ethiopia and Eritrea (UNMEE) to be responsible for separating the armies of the two states by a 25 KMs wide Temporary Security Zone (TSZ). The creation of the TSZ was expected

to pave way for the settlement of the border dispute through boundary demarcation in accordance with the determination of the Boundary Commission (Leenco, 2006). Over all, the spirit of the Algiers agreement advocates to bring lasting peace, stability and normalization in both countries. As we will see in the subsequent sections, it has not however, created a permanent settlement between the two countries.

4.2. Features Leading to the Current Deadlock

It is obvious that the Algiers Agreement was less the result of diplomatic pressure than a decisive military offensive by Ethiopia. Not surprisingly, therefore, the most significant highlights of the agreement were acceptance by Eritrea (Healy, 2008). Consequently, the Algiers Agreement gave hope for gradual normalization. This rested on the notion that border demarcation would permanently solve the conflict. Although violent conflict along the Ethiopia-Eritrea border ended with the signing of the Algiers agreement in 2000, a significant element of the agreement still remains unimplemented and cross-border tensions remain high. The border conflict has also developed into a protracted and costly stalemate, with internal and regional consequence (Lyons, 2006).

4.2.1. The Ruling of Ethio-Eritrea Boundary Commission (EEBC)

Pursuant to Article 4(2) of the Algiers Agreement, a five-member independent Boundary Commission was set up entrusted with the task of delimiting and demarcating the boundaries in line with the rule of international law and the Ethio-Italian treaties of 1900, 1902, and 1908 (Negash & Tronvoll, 2000).

The commission and the parties held their first meeting in The Hague. In this meeting, a tentative plan was worked out and agreed upon by the parties to carry out the first task of the commission - delimitation of the borderline.

After two years of studying the case, the commission made its verdict public on April 13, 2002. For the time being it appeared that both the Ethiopian and Eritrean governments initially claimed victory and accepted the Boundary Commission's ruling. Later on the Commission clarified on 28 March 2003 that the Badme plains largely belong to Ethiopia, but the village of Badme was to

remain inside Eritrea (ICG, 2003). Ethiopia protested against the commission's clarification on the demarcation of the border, which leads to the loss of Badme village. The source of this confusion resulted from the publication of the Commission itself, which did not identify coordinates for flash point of the dispute on the village of Badme. Subsequently, both Ethiopian and Eritrean governments made their position clear as follows:

A) Ethiopia's Response

As described above the Ethiopian side did not fully accept the EEBC verdict. Instead, the government requested the Boundary Commission to review its verdict arguing that errors had been made and adjustments would be required during the demarcation phase. The commission responded that the delimitation verdict was final and binding that having made its determination, it could not receive further representations from the parties and that it had no authority to vary the boundary line (ICG, 2003).

Following this, Ethiopia's next attempt was to the UN Security Council requiring further possibility to review the verdict. The Ethiopian prime Minister wrote a letter to the UN Secretary General, the work of the Commission was in terminal crisis as a result of its decision on Badme and parts of the Central Sector, which it characterized as 'totally illegal, unjust and irresponsible (Healy, 2008). That was later referred to the Security Council to set up an alternative mechanism to demarcate the contested parts of the Boundary in a just and legal manner. But the UNSC also rejected it, since there is no legal ground to change the EEBC verdict.

The Ethiopian government was left with no option but to take an initiative that denounced the Boundary Commission decision as "manifestly unjust and illegal" and arguing that Ethiopia should not be considered to be violating the decision of a court and not to be defying international law (Healy, 2008). It put forward a new position. In the new peace proposal Ethiopia in principle accepted the decision of the commission and called for dialogue to the immediate implementation of the delimitation decision in a manner "consistent with the promotion of sustainable peace and brotherly ties between the two peoples" and with a view to future normalization of relations (ICG, 2003). Hence, the Ethiopian government accepted the ruling of EEBC boundary, in principle; but before embarking on demarcation of the boundary on the ground, Ethiopia requested to engage the Eritrean government in a dialogue on all outstanding issues.

B) Eritrean Response

Eritrea duly accepted the decision of the commission and expressed its readiness for the immediate implementation of the verdict. A statement issued by the Eritrean Information Minister read out that Eritrean position was clear, which was intended to convey two important messages. Firstly, the Eritrean government accepted the ruling of the commission on the spot. Secondly; it does not go to any further negotiation on the decision (ICG, 2003). Eritrea also determined that demarcation should proceed in accordance with the Boundary Commission decision and has international law on its side. As both Eritrea and the Boundary Commission repeatedly asserted, the decision is final and binding as far as this point is concerned, and practically, there is nothing to negotiate (ICG, 2003).

In this regard, the Eritrean government looked to the international community to put pressure on the Ethiopian government to accept the ruling and allow demarcation to take place (Healy, 2008). All are possible but Ethiopia's acceptance of the rulings of the commission determines that the course of the future of the state of affairs. Ethiopia's acceptance of the Boundary Commission's final and binding decision and the full implementation of the Algiers Agreements, resulting in the establishment of a clearly demarcated and internationally recognized boundary between the two countries, will signify its recognition of Eritrea's "sovereignty and territorial integrity. Only such recognition will create the necessary conditions for the resolution of the historical antagonism between the two countries (Welde Giorgis, 2004).

Thus the position of the Eritrean government was nothing short of the enforcement of the decision of the EEBC including ceding the town of Badme and immediate delimitation and demarcation of the Ethio-Eritrea boundary.

4.2.2. The TSZ and UNMEE wind up

The idea of using impartial military observers to facilitate the peace process was an integral part of all the peace efforts made since the 1998 US–Rwanda peace proposal. However, the issue of settling a peacekeeping force was first raised in the agreement on the Cessation of Hostilities. In this agreement, the parties consented to the deployment of a United Nations peacekeeping force. UNMEE was mandated to monitor the implementation of the agreement on Cessation of Hostilities, oversee the deployment of Ethiopian forces from positions they had taken after

February 6, 1999 as well as to oversee the deployment of Eritrean forces within 25 kilometers distance from the new deploying positions of the Ethiopian forces. UNMEE was also given the task of monitoring the temporary security zone, chair the military coordination commission of the two countries, coordinate and provide technical assistance to mining activities in the temporary security zone and areas adjacent to it (Negash & Tronvoll, 2000).

Nevertheless, In October 2005 the Eritrean government announced restrictions on road travel and a ban on helicopter flights, measures that directly impinged on UNMEE's ability to fulfill its mission. Later on Eritrea demanded the withdrawal of all European and North America staff from UNMEE. As result in November 2005 the Security Council passed Resolution 1640 threatening economic sanctions against Eritrea unless it reversed its restrictions on UNMEE. The resolution also demanded that Ethiopia allow the demarcation on the border without further delay but neither side complied (Healy, 2008).

Alongside exerting pressure on UNMEE, Eritrea also began to deploy troops and heavy equipment into the TSZ. With the standing of the virtual demarcation of the border as of January 2008, Eritrea announced that it would not accommodate UNMEE forces in its territory any more. In a letter President Issaias Afewerki of Eritrea wrote to the Security Council in January 2008, he said that since the border was virtually demarcated by the commission, UNMEE's continued existence inside the Eritrean territory could be seen as occupation. Following this position taking actions, Eritrea cut fuel and food supplies to UNMEE, despite the requests from the Secretary General to urgently address the logistic supplies. As a result, the UN was forced to pull out UNMEE forces from Eritrea and relocate them in Ethiopia as of February 2008. Hence, as of today, there is nothing called the TSZ monitored by the UNMME and the armies of the two countries are facing each other (IAG, 2008).

4.2.3. Virtual Demarcation

Ethiopia and Eritrea were unable to create the conditions required for physical demarcation to take place, In November 2006, following its private meeting in the Hague; the commission released a detailed statement. It outlined the obstacles, which the parties posed on its demarcation activities. Eritrea was also blamed for its troublesome relation with the UNMEE. Admitting that the commission could not exist indefinitely and reminding about the provisions of the Algiers

agreement which demanded swift delimitation and expeditious demarcation of the disputed boundary (IAG, 2008); The commission announced its decision to mark the boundary by using an alternative approach other than demarcation on the ground. In doing so, the commission decided to affect the course of the boundary by using geographical coordinates (virtual demarcation). Under this approach, demarcation would be done on a paper, as opposed to the ground. The Boundary Commission announced on 30 November 2007 that it had fulfilled its mandate. In place of demarcation, the commission officially presented maps to all the concerned parties, including the UN Cartographic Unit. Showing a complete set of coordinates for the emplacement of boundary pillars representing the 2002, Delimitation Decision.

Following the declaration of the commission, Eritrea has acknowledged as final and valid the coordination specified by the EEBC. It appeared ready to settle for virtual demarcation and to accept border demarcation on the map as the final step in reinforcing the EEBC ruling of April 2002. Besides Eritrea announced that the border issue in its legal, political and technical aspects had concluded, thus marking the culmination of the Algiers Agreement, and that the sole remaining task was the unconditional withdrawal of the invading Ethiopia force from sovereign Eritrean territory (Healy, 2008). Ethiopia on the other hand, stated that it regards the demarcation coordination as invalid as they are not the product of a demarcation process recognized by international law. It has described virtual demarcation as a “legal nonsense and maintains that border demarcation cannot be recognized unless the pillars are positioned on the ground” (Healy, 2008:11).

4.2.4. Multilateral and Bilateral Intervention

Since May 1998 the international community has spent a great deal of time, energy, money and political capital on this issue. Eventually, however, UNMEE mission failed and the Boundary Commission was unable to complete its task (Healy & Plaut, 2007). The international communities have tried various bilateral and multilateral efforts to bring lasting peace, but they could not. For instance the UN Secretary General’s special Envoy the Canadian diplomat Lloyd Axworthy was sent to mediate the stalemate. Nonetheless, the Eritrean government rejected any initiative before demarcation. Consequently, all the diplomatic progress in the last decade post Eritro-Ethiopia war still remains stagnant. As a result, the implementation of the Algiers agreement is still facing grave challenges. This is because the Zero sum game over boundary

delimitation suited their propensity to talk up hostile and intractable positions in every conceivable forum tasked with promoting agreement (IAG, 2008).

Accordingly, the UN Secretary-General Annan warned of the potential for disaster if the “untenable” stalemate between the two sides was not resolved. The UN Security Council once again called on Eritrea to lift restrictions on UNMEE and Ethiopia to accept the final and binding border demarcation decision. Nevertheless, the UN and major power have failed to put effective pressure to persuade both governments (Lyons, 2006).

Moreover, U.S tried to spearhead a fresh round of diplomatic activity. Although it appeared to be in Eritrea’s interest to get the process moving again, president Issaias spurned contact with American government representatives. In January 2006 US Assistance Secretary of State Jenday Frazer wanted to lead a high level team to the two capitals, Asmara and Addis Ababa to see the border situation. Eritrea refused to allow her to visit the border, and that mission was cancelled. Frazer went instead to Ethiopia where she held talks with Meles and visited the disputed frontier. Her remarks about the difficulties of demarcation and the splitting of communities were interpreted as pro-Ethiopia. Eritrea’s tone thereafter became increasingly hostile towards the US (Healy, 2008).

The involvement of the international community to resolve the Ethiopia Eritrea conflict through peaceful means was a vital diplomatic effort. Despite the presence of apparent good will, however, the wider effectiveness of the implementation from the part of the international community remains largely a failure to create pressure and break the stalemate.

4.3. Essence of the Deadlock

It is necessary to examine some of the essential issues of the essence and deadlock in order to understand why the peace process has not succeeded and what is required to bring lasting peace between the two countries.

A situation in which no further progress is possible a dispute, usually because the people involved are unwilling to change their previously held position (Nhema, 2004). This has made the Ethio-Eritrean conflicts protracted and continues with devastating impact. The stalemate has

thus far held because neither Asmara nor Addis Ababa has had a compelling incentive to break the deadlock though small border incidents could tip the balance in favor of renewed conflict. The UN Security Council has insisted that Ethiopia should implement the final and binding decision of EEBC. But Ethiopia has said repeatedly that it feels no need to alter the status quo (ICG, 2008). Similarly the UN Security Council has condemned Eritrean incursions into the TSZ as grave violation of the ceasefire agreement that potentially undermined the entire Algiers framework. At present, on one hand the Ethiopian government accepts the decision in principle, while Eritrea rejects any dialogue before the implementation of the final and binding decision of the EEBC. Meanwhile, the conflict has expanded, from one over a frozen border into one in which the two sides increasingly give political, financial and military support to each other's opposition movements (ICG, 2008).

Both Ethiopia and Eritrea are using proxy force to undermine the border. Support for a neighbor's insurgency is a less risky way to pursue conflict than direct military confrontation and has a long history across the Horn of Africa. Such activity threatens to escalate unless the border and other underlying bilateral issues are resolved (ICG, 2008).

Ethiopia seems relatively to be comfortable with the present "no war no peace" situation as it is Eritrea that is shouldering a greater share of the burden. The conflict has led to more militarizing in Eritrea, as it has mobilized a disproportionate share of its adult population for war, and spends more on defense than any other country in the world. Accordingly, the stalemate has become so bitter and intractable that the parties cannot be expected to take the steps necessary to break it on their own. Of course external support is needed. The responsibility for providing this support lies collectively with the International community in general and the Algiers witnesses in particular, several of who were architects of the peace process (Leenco, 2006).

Finally, the Algiers Agreement has not created a permanent settlement between Ethiopia and Eritrea and after nine years seems unlikely to do so. The two mechanisms created at Algiers to help the two sides to reach a permanent peace- the Eritrea and Ethiopia Boundary Commission and UNMEE- are both disbanded. The two countries have not returned to war recent stalemate following the termination of UNMEE gives no indication that they intend to do so. But their enmity led countries to fuel instability elsewhere in the region (Healy, 2008).

4.4. Reasons to the Current Stalemate

This topic will examine the issue why the Ethiopia and Eritrean conflict turned out to be one of the protracted conflicts and stalemate situation in the Horn of Africa. It attempts to find out explanations why the conflict is not yet resolved eleven years after its eruption, nine years after the signing of the Algiers peace agreement and seven years after the delivery of the decision of the EEBC.

States resort to war for multiple reasons. Nations feel forced to go to war when their survival and independent role in the international system is threatened. States do not go to war for simple reasons that could be resolved peacefully but against threats on their survival and capacity to remain as a viable independent state (Barash, 2000). The main source of dispute, which can be argued, that led Ethiopia and Eritrea to the devastating war of 1998-2000 was not their disagreement on the exact location of their common border. The border issue was a mere divergence that could have been resolved peacefully through technical demarcation. As argued by different authors, there were some other deep-rooted fundamental reasons, which forced the countries to resort to war in 1998. In analyzing the causes of the Ethiopian and Eritrean war, we will examine as follows:

4.4.1 The Main Reason

Failure of the Algiers Peace agreement

This was an inappropriate conflict resolution strategy. External mediators trying to mediate foreign conflicts should be well familiar with the conflict they are trying to mediate. Mediation should be carried out with proper understanding of the nature of the conflict and the parties (Duffey, 2000). Certainly, the mediators in the Ethiopian and Eritrean peace process lacked a good understanding of the root causes of the conflict. This might have been mistaken in putting quite so much emphasis on border delimitation. Nevertheless, the Ethiopian and the Eritrean conflict entailed historical, territorial, political and economic incompatibilities (Chapter Three). Despite this, the overall mediation effort and the subsequent Algiers agreement were simplistic in the sense that it picked up the territorial incompatibilities as the only cause of the conflict. Nevertheless, the causes of the war were clearly more complex than this single issue (Healy & Plaut, 2007).

It focused on the resolution of the single source of the conflict-the border disagreement. At most, the approach taken by the peace process could be leveled as wrong since the conflict was not mainly caused by the border disagreement. The focus of the peace process which was only on the resolution of the border conflict cannot be blamed only to the mediators since the belligerents presented the border disagreement as the main source of the conflict (Leenco, 2006). Furthermore, the mediators simply picked out the border issue as the major source of the conflict because it was easily agreeable for international conflict resolution. However, border dispute was either completely dismissed as the conflicts cause or was depicted as merely a superficial symptom far deeper and more complex cause (Getachew, 2006).

Taking the above logic into perspective, Badme was not the main cause of the war. Because, Bademe is not bigger than Asmara. Bademe is not more important than the port of Asseb by any stretch of imagination (Prime Minister Meles, as interviewed on, Oct.29, 2003). Hence, the border was only a trigger point for accumulated series of problems between the two countries (Leenco, 2006). The above fact asserted that the letter of president Issias to Prime Minister Meles.

Beside that the border between our two countries is demarcated clearly although it is known traditionally, and we had not given the issue much attention in view of our present and future ties. Moreover, I don't believe that this will become of much concern and controversy even in the future. (Negash& Tornnover, 2000:29). (see appendix 3)

So, we could simply infer from the aforementioned premises of both leaders' view that they gave less attention to border issue before the eruption of the conflict in May 1998. It seems that, before the outbreak of the conflict both governments were thinking about cooperation, which considered the boundary question as a side issue.

The fact that, the various diplomatic efforts including that of the Algiers agreement continuously failed to resolve the conflict has prompted the conclusion that the problem needed a comprehensive understanding and solutions. But the treatment to the case entirely as boundary issue contributes for the failure of the initiatives (Leenco, 2006).

Finally, the current impasse proves that achieving sustainable peace would have required a comprehensive approach that addresses all causes of the conflict. Besides, the border resolution mechanism, other strategies of conflict resolution should have been put in place to find out a solution for the rest of the incompatibilities. This could have included the establishment of a bilateral forum to discuss common issues of concern and formation of specialized committees on trade, projects to rebuild across border infrastructure to support and reintegrate demobilized, deported and displaced population by the conflict in both sides will require support of UN, EU, US and other international financial institutions (Tronvoll, 2004).

4.4.2. Contributing factors

A) Unwillingness of parties to compromise

This is largely a matter of the political culture that both parties share deepened by years of guerrilla struggle, in which compromise is equated with surrender. This was aggravated by past mistrust and antagonism between the two ruling parties in both countries (Adhaenom, as interviewed on March 20, 2009). At the same time, each believes the other to be on the brink of collapse. This reduces their incentives to work for a final settlement. There is not a great deal that the international community can do about this, but it does make diplomacy much harder (Healy & Plaut, 2007).

Standing on the above divergent perspective the intensity of the deadlock is best explained as follows. As Prime Minister Meles Zenawi stated that,

The boundary issue is to be settled peacefully, and the only way to settle the problem peacefully is through dialogue. As you know there is an Ethiopian army there (in Badme) the only way it taking position can be done is by removing the Ethiopian army and the Ethiopian Administration. And if dialogue is ruled out the only way of doing that is by force of arms, and if they do so they will have decided to initiate a conflict. It did not work last time around and it will not work this time (ICG, 2008:3).

Contrary to the above position of the Ethiopian government, the Eritrean President Isaias Afwerki's stated that,

Agreements are agreements; the law and the rule of law cannot be bent by force. A final and binding decision cannot have a substitute or leeway. It is inconceivable to dream that one can revert to negotiations to alter a final and binding award. It is not possible to contemplate that the government and the people of Eritrea will be derailed from the path of law and plunged into a deluding abyss. In short this game is patiently designed to hold us hostage to uncertainty. We shall not be hostages and we will not be fatigued. It is sufficient to underline that time itself will bear the answer (Shabait, 2006:10).

Psychologically, although, Badme was not the underlying cause of the conflict, for both regimes, it was the most visible marker of whether it had won or lost, and hence whether its terrible sacrifices had been in vain (Alem, 2008).

B) The Weakness of EEBC decision

The commission did not attach any importance to the physical and human geographical realities of the boundary. The maps used for the treaties were characterized by a great deal of ambiguity regarding names of places and rivers, some of them appearing more than once. More importantly, none of the border treaties were fully delimited and demarcated on the ground (Ciampi, 2001). Moreover, the decision of EEBC was made with negligence to the views and the sentiments of the people living in the disputed territories. The commission did not travel to the disputed area to gain a firsthand impression about the border area, understand the local border practice and examine the views of the local people (Tronvoll, 2004). The president of the EEBC stated that, the failing about the implementation as follows:

Needless to say we greatly regret that we could not take our work through to its full conclusion but at least we leave with a line that is operable. It is up to you to work out how to implement it, it is up to you to consider such devices as open boundaries so that some of what you identify as manifest absurdities because a line cuts a village or a road several times can be overcome by allowing the boundary to be open and nationals to pass freely from one side to the other or even to cultivate their fields on the other side. (Lauterpacht, 2007:2). This does not all contribute to successful implementation as stated. It leaves so many questions unanswered.

Unfortunately, the decision of the EEBC has failed so far in their attempt to bring sustainable peace and mutual reconciliation for the two countries. This is because the EEBC has given little concern to the people adversely affected by the border demarcation process. No ground survey was carried out and they did not have any effort to consult the people and community affected along the border (Mohamed as interviewed on May 4, 2009). Consequently it has affected the whole objective of the Algiers Agreement, which was to bring about peace and stability, leading to normalization of relation. This is attributed to the fact that the relationship between the two countries involves many other unresolved questions.

C) Lack of Pressure from the International Community

The International Community focuses only on the prompt point of boundary issues rather than the real, deep and complex root cause of the conflict. In other words, the peace process was only a partial approach to resolve the conflict.

The AU, the EU, the UN and the U.S. all signed the June 2002 Algiers agreement as witnesses to the commitments of the two belligerents, but the signing ceremony was their first and last formal meeting in that capacity. The member of the Algiers group has never since lent their collective weight to resolution of the dispute (ICG, 2003).

Generally, the international Community did not give weight to bring sustainable peace as they give much more weight to bring ceasefires at the time of war (1998-2000). The absence of such a strong pressure on and support for the two countries the international community to resolve their conflicts comprehensively was a big problem.

4.5. The Consequence of the Stalemate

The continued deadlock in the Ethio-Eritrean conflict has put the people of Ethiopia and Eritrea in complete confusion. The significant losses incurred on the actual war front, the impact of the transfer of a productive workforce of youth from professional jobs into the army, and also the massive loss as well as permanent and temporary injuries to military as well as civilian life remains painful and costly. The border conflict has also damaged and destroyed social and economic infrastructure such as education, health, power and water supply among others. The Ethio-Eritrean conflict has also significantly fueled environmental degradation in the northern

and southern part, of Ethiopia and Eritrea respectively, that would have a deleterious effect on the socio-economic activities in the area now and in the future.

Knowing these all impacts on socio-economic and political conditions of both countries it is quite clear that it has diverted resources away from the priority of poverty reduction and development sectors. Besides, the huge costs incurred during the war should not to be seen as a one-time cost to the countries and their people. It extends into the future generation. Given existing circumstances, it is easier to assume that it was Eritrea that eventually takes steps to break the impasse. This is because, the state of no “war and no peace” situation was hurting Eritrea much more than Ethiopia. After the war, Ethiopia was not as devastated as Eritrea. As a matter of fact, Ethiopia achieved its highest growth rate in the five years. Due to this, perhaps, some people may believe that Ethiopia is much better off without needing contact with Eritrea. But this is wrong. Had there been a smooth relation with Eritrea, Ethiopia would have increased even its growth rate and a faster at higher level. Therefore, one of the tragic national consequences of the Ethiop-Eritrea conflict is that it unleashed massive devastation and the human cost was staggering. The Ethiopian government won in 2000 in the war front while the Eritrea government won by the decision of the boundary commission as it ruled Badme as being on the Eritrea side. Nevertheless, Ethiopia and Eritrea still are in a state of “no war no peace” situation since the ruling of the EEBC, the boundary commission ruling remains unbinding, and the contentions of border demarcation unimplemented. In the final analysis, the conflict on the two poor countries is no winner at all.

To sum up, it is essential to critically examine how to reconcile simultaneously the issues of demarcation and dialogue in the face of diverged positions of Ethiopia and Eritrea. For some, it seems that initiative of simultaneously conducting dialogue and demarcation, as a creative approach is one way to get the deadlock unstuck (Habte Selassie, 2006). The following chapters will discuss the implementation of the EEBC decision, the need for dialogue and the role of the international community to support the resolving of the conflict.

CHAPTER FIVE

Way out from the Stalemate

As long as Ethio-Eritrean impasse is left unresolved, it could generate the potential of destabilizing not only in the two contesting countries but also the entire Horn of African Region. The conflict could face to a possible collapse of the states. The conflict between the two countries should have been treated more seriously than simple border clash comprehensive conflict resolution approach which is therefore required to bring about a lasting peace necessitates a firm position aimed at settling the stalemate through peaceful means. In the following chapter, the study well explores alternative approaches that could mutually benefit the people of the two countries.

5.1. Ending the Deadlock

In view of the currently prevailing impasse resolving from the outcome of the peace process, the primary concern to mediators should be to find a way out. It may be difficult to imagine the current impasse coming to an end peacefully as long as the parties shuck to their positions.

Nevertheless, two options can be identified to bring an end to the deadlock. The first option arises from a legal approach of conflict resolution elaborate. The second one involves searching a political compromise related to the legal conflict resolution process. Eritrea has been calling for the application of the first option while Ethiopia has traveled excessively for the second option. In reality, both options haven't yet been tried. The international community did not fully endorse Eritrea's call for putting pressure and imposing sanction on Ethiopia. Ethiopia's call for dialogue, on the other hand, was rejected by Eritrea.

However, the Ethiopian peace proposal gained the support of the UN peace and Securities Council, the European Union and the African Union while the US chooses silence about the peace proposal (Mohamed as interviewed on May 4, 2009). This indicates that, the international community seems to favor to the political solution.

The Algiers agreement is final and binding, but it cannot be implemented, this is because the question is not a legal one, it is a political one. Unless the political problem is solved, the legal one may not be implemented (Huruy as interviewed on May 4, 2009).

As the main deadlock in the Ethiopian and Eritrean peaceful conflict resolution is the status of the EEBC's final decision and the position of both countries to the verdict. The decision of the border commission remained final and binding. However, apart from the agreement between the parties, there are still issues that remained vague in relation to its implementation.

There is no question that Ethiopia owes the legal responsibility to respect international law and abide by the decision of the border commission. In advance, Ethiopia has committed itself to abide by the verdict of the border commission (Adhanom as interviewed on Jan. 25, 2009). Though the implementation of the border decision is essential in the legal sense, the issue of Ethio-Eritrean conflict is more deeply rooted and complex than a simple territorial issue.

In this case, the international community and Eritrea to end the deadlock might view forcing Ethiopia to respect the virtually demarcated boundary, however, viewing the serious resistance inside Ethiopia particularly the population alongside the border areas like Bademe, Irob (Alitena). Based on this, the border incompatibility could be assumed to settle but in practical perspective as far as the other central causes of the conflict remain intact excluding normalization, the assumed outcomes would create another deadlock by itself.

Considering the binding status of the decisions of Algiers agreement and Ethiopia's assurance to respect the decision, subsequent negotiations need to be undertaken with the view to normalize their relations and further peaceful situation. However, based on these, forcing compliance to the virtually demarcated border may result in reluctance on the part of Ethiopia not only to normalize relations with Eritrea, but also to implement the demarcation on the ground. Because, the implementation of demarcation and normalization of relations could also face a challenge by a potential resistance from the local people, whether the respective countries governments welcoming the decisions or not.

Preferably the second option is to engage the conflicting parties in dialogue and negotiation in order to end the impasse that resulted from the legal process.

Negotiations help the parties to find out lasting solutions other than the demarcation of new boundary based on the EEBC, consequently generate a compromise and win-win or non-Zero Sum game results than the win-loss or the zero sum game situations, which may not have any meaningful impact on the current impasse and conflict situation. Considering the sustainability of peace and smooth relations between Ethiopia and Eritrea instead of fulfilling one party's unilateral interest and the possibility of using the decision as political instrument by Eritrea against Ethiopia or the regime in Ethiopia, the international community should be aware of the cost and benefit of prioritizing either option. Based on this, of the first option and the difficult situation to implement, the better option is political dialogue and negotiations that could create sustainable solutions. Doing this actually requires a good will of Eritrea to compromise its legal entitlements granted by the decision of the border commission.

Negotiations obviously enhance the possibility of the realization of a mutually accepted solution. As opposed to the legally obtained peace, negotiations provide a chance for consensual peace to be achieved and launch measures towards normalization of relations (Mehamed as interviewed on May 4, 2009).

Reference could be made where the peace by dialogue and negotiations will used as workable and functional remedy in solving similar impasse in other parts of the world. A similar negotiation and dialogue approach was successfully used to resolve the conflict between Ecuador and Peru, and between Nigeria and Cameroon (Grabriel, 1999). In both cases, sharing sovereignty of the highly regarded symbolic area where many lives from both sides were lost as a result of the heavy fighting solved the territorial conflicts between these countries. Ecuador and Peru had been in fierce and devastating conflicts since the territorial conflicts erupted in 1995. But, aimed to resolve these conflicts, the two countries reached and signed on agreement to resolve the conflicts in 1999 by forging an Arbitration Commission with ruled in favor of Peru and the symbolic area given to Peru, while Ecuador, legally the loser, appeared to reject the decision and announced it was impossible to implement (Wallenstein, 2007).

As a result, the mediating parties including the US, Brazil, Chile and Argentina called as guarantor of the past treaties assisted the parties in ministerial level for discussion that aimed to identify the significant claims and disagreements of each side. Thus, both countries agreed to a guarantor-Sponsored technical commission composed of boundary experts in order to resolve the

matter. Using this approach, on October 26, 1998 the two nations signed comprehensive peace accord establishing framework for ending border dispute successfully and peacefully (Wallenstein, 2007).

Finally, guarantors conclude that a resolution would not be possible without granting something to each party, which is “give and take principle”. Both countries accepted the solution, based on dialogue and negotiation, which was a significant diplomatic success. On October 26, 1998 the two nations signed comprehensive peace accord establishing framework for ending border dispute.

In similar cases, Nigeria and Cameroon had been in series border conflict since the 1960s. Both countries were engaged in various type of conflict emanating from Cameroon’s claim on the Bakassi region of Nigeria. The conflict between both countries remained for about 40 years from 1960-2002. Depending on the decisions of the International Court of Justice (ICJ) set up to end the conflict that ruled the Bakassi region of Nigeria to Cameroon and the ultimate opposition of the decision by Nigeria, the Bakassi issue remained deadlock in resolving both countries interstate relations from 2002-2006 (IPI, 2007).

Aimed to end the conflict and the deadlock, instead of just looking at the implementation of the decision both countries came into agreement of solving the impasse through dialogue and discussion. Thus, based on their agreements, both countries were able to forge a mixed commission, which constituted political and legal experts, which was headed by a secretary general’s special representation (Ahmedou Ould-Abdallah) (out station office of UN). It juts took a lot of listing and patience and it just took some good diplomacy and representative measures. Nigeria and Cameroon have been praised for the peaceful resolution of their border dispute (IPI, 2007).

In conclusion, the lesson that we can learn from these two significant cases is the vitality of political dialogue and negotiations as the only way to end the impasse and forge peaceful relations as well as the situations to implement confidence-building measure for the governments and the population (people) of both countries. Unless both parties come to roundtable discussion, it is very difficult to think of any peaceful solution and normalization between the two countries.

5.2. Pacifism as a Means

The technique of conflict management falls in two categories diplomatic procedures and adjudication. Diplomatic procedure, which is relevant to superpose here, involves an attempt to resolve difference (Shaw, 2003).

As best mechanisms of possible way out to the protracted conflict between Ethiopia and Eritrea as well as the deadlock that still hinders the path of peaceful resolutions, Mediation, Good office and Negotiation approaches could help both countries. Such an approach may particularly help them to analyze their cost and benefits than staking their economy and energy in no war and no peace situation. So, the concerned parties should sit together and consult how to alleviate the prevalent problem in good faith and redressing the errors made so far. The Ethio-Eritrean governments themselves should primarily do this assignment and the international community should follow to support their effort.

In this regard, Ethiopia has consistently argued that implementation of the Boundary Commission's decision should be done in a manner consistent with the promotion of sustainable peace and brotherly ties between the two peoples. On the other hand Eritrean officials have repeatedly told that "full and immediate" normalization of relations will take place as soon as demarcation of the border is complete (ICG, 2003). Eritrea has also insisted that any dialogue with Ethiopia could only begin once demarcation is comprehensive.

Nevertheless, opening talks on such mutually beneficial issues would be a small price to pay for a comprehensive and durable peace: that dialogue should precede parallel with demarcation, under the support of both governments. An alternative course could have been created such as good office, mediation and face-to-face negotiations between these two neighbors. An agreement reached via this diplomatic method could have been presented to the relevant UN bodies for international legitimating. If this type of negotiation is successful it may lead to a reasonable stable peace.

There are some tactical refinements that could help, to make full implementation of the agreement. Through the conclusion of physical demarcation of the border, which should start as the talks begin, it would be possible to keep discussions firmly grounded within the existing EEBC rulings a core demand of Eritrea. It would also provide the substantive dialogue on

normalization and an end of support to the other's opposition that are core demands of Ethiopia (ICG, 2008).

This thesis proposes pacific settlement of dispute approaches as a modest framework of possible way out of the Ethio-Eritrean conflicts (chapter two). Such approaches tuned by the constructive dialogues are useful or good in as much as it is potent in addressing the root cause of the Ethio-Eritrea conflict and in leading to a lasting and durable peace between Ethiopia and Eritrea. As it is known, pacific settlement of dispute involves extensive heading measures; more of them are inter-governmental interaction.

5.3. Interest Based Negotiation

Both sides considered that, a gain by one side is a loss by the other. In contrast, interests are like regions rather than points. They may well have non-empty intersections that a negotiation concentrating on interests may reveal. Then the conflicts of interests may be come a common problem of the conflicting parties. The central question then becomes not, how can I get the best deal? But how can we enhance our common interests? (Nhema, 2004:28).

By assessing various approaches and possible solution in entertaining both contending countries, adapting interest based negotiations and cultivating common historical and identity are potent solution in addressing the root causes of the conflict. This could be done without compromising both countries national interest and sovereignty. This thesis suggests that to find lasting solution, there is no other option than to deal in the win-win approach.

Apart from the overall pessimism, currently there are certain national and international trends and transformations that could motivate and force both countries to revise their positions and consider the peaceful mechanism of ending conflicts. Despite the trend of isolation of Eritrea from the regional and international affairs, the two countries have crucial global agendas, as the international and regional issue has demanded the economic interdependence, growth of information technology and the rising of regionalization. Moreover, both countries have national priority such as poverty reduction. Good governance and insuring democracy are the primary agendas of their people. It would be quite difficult to imagine how these countries could commit themselves to the realization of such crucial long-term objective of international and national

socio-economic interest, if they still recourse to war and remain in deadlock, rather than, peaceful conflict resolution and interest based negotiations, as a means to resolve their conflicts.

To sum up, war and conflicts as well as the stalemate, now as was in the past, have continued to make Ethiopia and Eritrea to remain impoverished states feed and satisfy their citizens. In the era of globalization and an environment of severe competition with the Global economy, there is no other way than focusing on poverty reduction, increasing economic growth and development that could contribute towards enhancing competitiveness of both countries. In fulfilling these, it is a matter of priority to peacefully resolve the deadlock. This could be realized if and only if the possibly way out are aimed at addressing the root causes of the conflict of both countries. This is because, so far most peaceful efforts made by various multilateral and unilateral efforts particularly the international community had focused on other peripheral and subsidiary factors or the immediate causes of the conflict, i.e., the border issue, it is seen by the decision of border commission.

Based on this fact, dealing with the excuse while leaving the underlying causes unaddressed will not bring sustainable peace between Eritrea and Ethiopia (Leenco, 2006). It would simply allow the harboring of the major root cause of the crisis that could exacerbate the situation and bring another conflict and instability between the two countries.

5.4. Negotiable Issues on Common Interest

There are multiple issues that have determined both countries common interest, nevertheless, the thesis has focused on some crucial points as follows:

5.4.1. Access to the Port

After the outbreak of the Ethio-Eritrean conflict in 1998, Djibouti has served as the primary transit port for Ethiopia instead of the port of Assab. The road corridor between Addis Ababa and Assab was upgraded and improved for that purpose before the conflict erupted. The port of Assab until the war with Eritrea in May 1998, served Ethiopia as main gate way. Eritrea was earning around 2 billion in Ethiopian birr per year from the port fee, and later decreased to almost zero after the border conflict in May 1998 (Estifanos as interviewed on May 5, 2009).

Some of the regions-especially northern Ethiopian regions are more proximate to Massawa than any other port. This means a reduced overhead cost and faster commercial activities in the region.

The prospect of regaining access to Eritrean ports would be an important incentive for Ethiopia, which presently must rely on less efficient alternatives in Djibouti, Port Sudan and Berbera, Somaliland. However, "Such access should be guaranteed internationally", the Eritrean transit and port services were better than other ports in the region. Further the port of Djibouti is at least 10% to 20% more expensive than Assab during 1998 and including the port services, it can be said that the two Eritrean ports had been providing sufficiently efficient services to Ethiopia import and export goods. The port of Assab unlike other ports in the region, basically serves Ethiopia. Other factors, such as familiarity with port rules and procedures, language, among the others, compared with other ports in the region (Tesfay as Interviewed on May 2, 2009). From this, one can conclude that the Ethio-Eritrea conflict has affected both countries economy especially to Eritrean economy

5.4.2. Cross-border Trade and Economic Development

Ethiopia is an ideal market spot for the Eritrean consumer than any place. Eritrean merchants have high bargaining power in the vast Ethiopian market because they have better access to information than anywhere else (ICG, 2008). The new border between Ethiopia and Eritrea should be reopened while the dialogue is performed; in order to unleash the economic potential that has been repressed for the past ten years. Since the closed border has strangled the communities on both sides, this would provide immediate, tangible and mutual economic benefits that would cushion the political fallout from the demarcation decision. Moreover, cross- border economic development packages that support restoration of mutually beneficial economic ties compensate communities displaced by border populations. Such packages should incorporate the infrastructure, energy and communications, road and other development projects.

5.4.3. Cessation of Support for Opposition and Rebel Groups

Both sides have been supporting the other's opposition and rebel groups. Since 1998, Eritrea has provided assistance to various Ethiopian rebel groups, while Ethiopia similarly supports the Eritrean opposition forces. Such activities have affected the peace and security on both courtiers

and the entire Horn of Africa. So, the international community and the mediators should stop the support of rebel groups on both sides.

5.4.4. Common Interest in Counter Terrorism

Both countries are vulnerable to internal and external terrorism. Ethiopia and Eritrea have resisted the spread of fundamentalism. Both countries have been victims of terrorist attacks in the Horn of Africa. However, Eritrean by looking terrorism within the context of its border crisis with Ethiopia and its strained diplomatic relationship with the US seems to neglect the war against terrorism. Hence, despite the current Eritrean government support to the Somalia terrorist group, the government and people of both countries have vital interest in counter terrorism.

5.5. Cultivating Common History and Identity

The people of Ethiopia and Eritrea share similar historically, culturally and socio-economic bonds. They are destined to live together irrespective of the type of governments systems in power (Medhane as interviewed on May 13, 2009). Eritrea is a composed of nine ethnic groups having direct cultural and blood ties to their neighbors in Ethiopia, Sudan and Djibouti. The Mareb River, for instance, divides the Tigrigna speaking people into Eritrea and Tigray (Ethiopia). Similarly, the area between Massawa and Assab including the Buri Peninsula is inhabited by the Afars who also happen to live in Ethiopia as well. The Saho (Particularly Irob people) and the Kunama are also living in both countries. Finally, the Bilen are also said to be descendants of the Agew people who are inhabitants in northern Ethiopia. The above-discussed kinship has been strengthened by historical interface (Alemseged, 1997). In aggregate, the above mentioned instances of common identity, language, religion, cultural, and historical heritage make the Ethiopians and the Eritreans nothing less than one family living in two countries. These communities in historical traditions and cultural conventions and their psycho-cultural dynamics across the border should thus generate a behavior that is effectively not about kin killing but about harmony and peaceful living (Nhema, 2004)

Therefore, the infinite number of families, friendship, neighborhoods and comradeships, which precuts of the above track record of close interface, has irreplaceable role to break the current stalemate and bring lasting peace in various means.

Outsiders can never make peace for others: people and society must create their own systems for working through their differences. While governments must play a crucial role in this process, the people are the key to long-term conflict transformation-with outsiders potentially playing important supportive and enabling roles (Tongeren et al., 2005).

One of the best solutions to bring peace and stability should come from the people themselves. What sustainable peace requires is the joint working of both forces together i.e the government and the people should work in collaboration towards the delineation of the border. A successful delineation of the border and lasting peace can only be achieved when both the people and government work together with mutual consultation.

Similarly, it is to create positive movement toward fully peaceful resolution and long-term peace-building initiatives. Building new relationships between communities split by the militarized border, groups displaced by the conflict, and families divided by loyalties to rival states will provide a context for new thinking and increased confidence about the formal peace process and for building healthier bilateral relations after the border dispute is settled (Lyons, 2006).

The Eritrean people should take a good lesson from the previous costly conflicts with its neighbors and needs to rethink objectively such conception and increasingly examine the long term effects of the government's policies with regard to solving issues of national interest through military might.

5.6. Capitalizing on Political-Dynamics in both Countries

This study has indicated that democratic countries may not go to war among and between themselves apart from the peaceful competition and conflicts undertaken to fulfill their economic and political agendas. In this case, because these countries operationalized democracy and democratic governance even when faced with issues of interstate conflicts, often take peaceful negotiation as a method for resolving their misunderstanding. This is mainly because of the general make up and framework of democratic principles and prioritizing peaceful resolutions, dialogues and culture of tolerance as well as the socio-economic development is their overriding agenda (Lyons, 2006). Promoting peaceful political change will be a difficult and slow process. In this issue expectations of quick results are unrealistic. Nonetheless, the efforts of the people in

order to promote domestic political dynamism are vital. Both people particularly in Eritrea should create pressure on their government to bring durable peace and normalization.

5.7. Pressure and Support from the International Community

The international community cannot afford to look away and hope for the best vigorous diplomacy is needed now. The parties should not be permitted to deviate from implementing a Boundary Commission decision. In this regard, creative solutions can be found to make implementation more politically acceptable by reducing the security and humanitarian impacts while demarcation proceeds (Mohamed as interviewed on May 4, 2009). These diplomatic efforts should not be the prerequisite for implementation. But an early demonstration that the international community is serious about finding ways to soften the losses perceived by both parties would be a positive inducement for constructive action (Huruy as interviewed on May 4, 2009). The international response must recognize these realities on the ground and create a process to address the root cause of the conflict. A special envoy should be mandated to begin a comprehensive dialogue with parallel demarcation on a range of outstanding issues.

The engagement of outside powers, both from the region and from among the permanent members of the security Council- the US in particular and the EU in a more concerted, high level and determined fashion than till now will be essential. This in turn will require a rethinking of interests, risks and benefits. There are some tactical refinements that could help; making full implementation of the agreement that is foreseen as the outcome of these discussions (ICG, 2003). The guarantor nations are therefore, morally and legally obliged by treaty and owe to the people of Eritrea and Ethiopia and to their own credibility to find a lasting peace (ICG, 2007).

Overall, diplomatic initiatives that focus on nonofficial exchanges between polarized parties can encourage improved relationships beyond official channels. Such projects usually work best when they are low profile and kept distinct from formal diplomatic relations or political institutions. As mentioned earlier, processes have proven helpful in cases such as U.S. relations with Eritrea where formal diplomatic contacts are virtually nonexistent (Lyons, 2006).

5.8. The Role of Non-State Actors

Despite the rigidity in the Eritrean leadership to deal diplomatically, the presence and growth of various regional and global institutionalized non-state actors and some NGOs not only helps or facilitates to end the deadlocks, but can also contribute in guiding and influencing the peaceful resolutions process and approaches between or among various countries and parties (Healy, 2008).

Considering the impartiality, the financial capacity, knowledge and their global networks and involvements, contribute in helping and facilitating contending parties to come together to solve their conflicts. Among the limited efforts of these regional and global non-state actors, for instance, the WCC and Norwegian Church Aid have sponsored talks between religious leaders on both sides of the border. In June 2006, the head of the Ethiopian Orthodox Church, who was recently elected head of the WCC, called upon the people of faith in Ethiopia and Eritrea to work with the political leaders to accelerate the coming of lasting peace.

In addition to the non-state actor's role, the engagement of internationally and remarkably regionally respected and eminent personalities can contribute in convincing both conflicting parties leadership to deal peacefully.

CHAPTER SIX

Conclusion and Recommendations

6.1. Conclusion

This concluding chapter provides a short summary of what this essay has attempted to do and how the research questions are answered. As seen throughout the preceding discussions, the study has mainly dealt with the comprehensive understanding of the root causes of the conflict between Ethiopia and Eritrea and also trying to address the reasons for the current stalemate in resolving the conflicts and the deadlocks. The objective was aimed at suggesting some feasible and modest ways out of the deadlock.

To achieve the goal stated above, this study presented information and analysis in six chapters. In this concluding remark, the researcher will not try to repeat what has been covered but wrap the main substantive issues of each chapter. Accordingly, the first chapter has set out the research questions, outlined the research objectives and methodology of the study. It specifically asked why it was not possible to bring an end to the Ethiopian-Eritrean border conflict even after the delimitation of the border in 2002? Why the pre-war peace attempt and the subsequent Algiers Agreement efforts fail? What are possible remedies that could extricate the two parties out of the current deadlock? Because of this the key outstanding issue became identifying the root causes that led to the failure of both the negotiations as well as the implementations of the EEBC decisions.

The second chapter of the thesis explored some theoretical frameworks and concepts that provided suitable ground to the study and laid down the major theoretical consideration of the thesis. The objective was to enable the research to come up with conflict resolution theories that are most relevant to explain the Ethiopia-Eritrean conflict as well as towards its amicable settlement.

In chapter-three the vital points discussed were major restraints both to the overall pre-war peace attempt and the subsequent Algiers Agreement. As such the fact that many of the peace initiatives have left the deep seated political, historical and economic sources of the conflict untouched and

focused on the border incompatibility. The study has explored that border issue was not the main cause of the war; rather the parties used it as pretext to the war. In this regard, the parties themselves and the mediators failed to make a significant effort to comprehend the root causes of the conflict and did not design conflict resolution strategies accordingly.

Chapter-four has examined the reasons why attempts made so far had failed to bring an end to the conflict in general and to the resolution of the dispute over border in particular. The thesis has identified the limitations of the peace process and of mainly the Algiers agreement. The main limitation that hindered the peace agreement was the lack of understanding with regard to the root causes of the conflict by the mediators hence was unable to bring about enduring peace. Certainly the parties and mediators lacked a good understanding of the root cause of the conflict. Moreover, this study has attempted to investigate the reasons for the current stalemate, how it contributed towards the failure of the Algiers Agreement, the nature of the conflicting parties as well as the weakness of EEBC and lack of adequate pressure from the part of the international community.

Chapter-five has outlined the possible solutions to end the deadlock. Most essentially it suggested that to address the root cause of the conflict, and hence to resolve the dispute permanently, the two countries need to undertake a series of interest-based negotiations. A deeper analysis of the problem has showed that the way out therefore lies in the genuine commitment to implement the legal and political options, which have not yet been exhausted. However, the circumstances on the ground seem to favor a negotiated settlement.

Finally, a summary and synthesis of the overall presentation was made under this concluding chapter followed by the listing of reference materials consulted in the course of the study.

Using wide literature review together with information gathered from primary sources (interviewees), the research also identified and analyzed major issues as to what sustains the continued stalemate. Based on the analysis of the data available and the arguments presented, therefore, it is logical to conclude that there are two alternatives to go out of the current deadlock. These are legal and political in nature. Given the experiences so far, nevertheless, the question is not entirely a legal one and this category of solution cannot stand by itself. In other words, unless

the political problem is solved, the legal one may not be easily implemented. Partly due to the frustrations of being unable to see progress on the matter, at this juncture the international community seems also to have favored the political compromise than the legally justified means.

Both Ethiopia and Eritrea should cultivate the multidimensional solution based on common history, culture and socio-economic interaction. These are vital solution to address the root causes of the conflicts and believed to accommodate the two countries mutual interests, which will also strengthen further relations that could bring gradual confidence building. Finally this thesis has proposed the initiative of parallel dialogue and demarcation as a creative approach to end the stalemate. Given the various outstanding difficulties ahead and in view of the deep-rooted suspicion between the two governments and the ruling parties, however, to expect viable and an urgent solution is not guaranteed.

Nevertheless, the need to resolve the ongoing stalemate between Ethiopia and Eritrea should also be seen from the wider perspective of peace and security of the Horn of Africa sub-region. Obviously this is a region that is one of the most conflict-prone parts of the African continent. Therefore, exacerbate the vulnerability of the sub-region yet to further destabilization. In many respects, Ethiopia and Eritrea are placed at the heart of this conflict. Developments between and in these countries both towards peace or the deterioration of current state of affairs would mean with direct regional implications.

6.2 Recommendations

- To avert a possible catastrophe, the short-term solution would be to maintain the “no war no peace” status quo until a comprehensive peace, stability and normalization deal is reached.
- The long-term strategy for both Ethiopia and Eritrea towards reducing and overcoming their ever-deepening poverty should be far removed from the conflict situations and current deadlocks. Ethiopia as well as Eritrea should therefore, take the development agenda as their sole guiding principle and take a decisive and historic move towards building a more democratic and development-friendly society in their respective countries. Such domestically motivated and international tuned steps are vital and

necessary in overcoming the current Ethio-Eritrean conflicts, tensions and deadlocks that hindered possible way outs.

- Since 2002, the debate over Ethiopia-Eritrea has been stuck in the realm of legal norms and principles at the expense of the underlying political realities impeding both border demarcation and normalization of relations. Both countries as well as the international response must recognize these realities and create a process to address the deeper issues at play in the border dispute. That process should give priority of political solutions.
- In this regard negotiation opens the room to explore other options to handle the border issues, and other cause of the conflict properly.
- Undertake an immediate public diplomacy campaign that spells out for political elites in Ethiopia and Eritrea the importance of the implementation of the EEBC decision, and parallel dialogue for the benefits of compliance, and the costs of collapsing the peace process.
- Appropriate conflict resolution strategy should be implemented such as:
 - A comprehensive approach that addresses all root causes of the conflict should be established through means of negotiation or mediation.
 - The establishment of a bilateral forum to discuss common interest based issues and formation of specialized committee on trade, investment, energy hydroelectric power, port service, communication and free movement of peoples.
 - Promote people to people relations and interactions between citizens of the two countries by putting in place participatory and broad based demission mechanisms that would enable them to raise and discuss issues of common interest to solve conflict. i.e normalization of bilateral diplomatic, political and economic relations.
 - An end to each country's support for the other's opposition groups;
- For the international community it is clear that it is difficult to bring the conflicting parties to a peaceful negotiation process without identifying and addressing the root cause of the ongoing conflict. It is a fact that the mediation process had already failed and no meaningful intervention is in place. The international community should, therefore create meaningful pressure on both countries to agree and negotiate on basic interest of both

countries based on “give and take” principle to bring long lasting peace, stability and normalization.

- Begin to discuss immediately with each party, and coordinate with each other to the extent possible on, the parallel initiatives of demarcation of the EEBC decision and dialogue appoint a high-profile special envoy to launch a comprehensive dialogue process in this peace process.
- Promotion of internationally supported cross-border development projects; and provide financial support for implementation of the cross-border development projects agreed within the framework of the new dialogue. This may be coordinated with donors, including post-conflict reconstruction projects for populations displaced from the border, demobilization and reintegration programs and initiatives to promote increased cross-border trade.
- Deploy conduct missions from AU or UN observers to the contested areas of the border responsible for easing the political, security and humanitarian difficulties. Make clear that any party that breaks the ceasefire, war will pay a heavy price.

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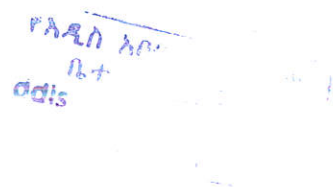
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2. Huruy Tedla Birue, former ELF leadership and veteran Eritrean politician chair man of Eritrean Congress Party (ECP); Telephone Interview Stocole, Sweden 4th May 2009.
3. Medhane Tadesse, assistant professor, senior researcher and analyst of the Horn as well as management of CPRD, personal interview at Addis Ababa Ethiopia, 13th may 2009.
4. Estifanos Tesfaye former Assab port management; personal interview at Addis Ababa Ethiopia, 5th May 2009.
5. Mohammed Habib, assistant professor at AAU; personal interview at Addis Ababa University, Addis Ababa Ethiopia, May 4, 2009.
6. Tesfaye Werede, former first secretary in Ethiopian Embassy in Djibouti; personal interview, Addis Ababa Ethiopia, on 18th March 2009.



APPENDIX 2

Extract from Final Report of the Joint Review Committee on the Implementation of the Ethio-Eritrea Economic Agreements, Addis Ababa, 1 January 1997

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3.	<i>Problems identified by each side</i>
3.1.	Trade
3.2.	Customs
3.3.	Transport and Communication
3.4.	Banking
4.	<i>Analysis of identified problems and proposed measures</i>
4.1.	Trade
4.2.	Customs
4.3.	Transport and communications
4.4.	Banking
4.5.	Macroeconomic policy harmonisation
4.6.	Investment and business licensing
4.7.	Settlement of financial claims
5.	<i>Summary and conclusions</i>
<i>Annex 1.</i>	Terms of reference for the review of the Ethio-Eritrea economic cooperation
<i>Annex 2.</i>	List of members of the joint review committee

The following notes were made under the following points:

2.1.5. Harmonisation of Economic Policies

A protocol on harmonisation of economic policies signed on September 27, 1993 included, among other things, several provisions on the harmonisation of macro-economic policies which are summarised below.

- a) to harmonise exchange rate policies and interest rate structures;
- b) to work out a mechanism for making the growth of the money stock consistent with inflation objectives of the two countries;
- c) to work out a scheme to synchronise policies related to foreign exchange surrender requirements, allocation of foreign exchange to importers, capital flows and external debt management;
- d) to gradually harmonise policies regarding tariffs, sales tax, excise tax and profit taxes;
- e) to harmonise their investment policies;
- f) to provide national investors of both countries the same and equal treatment in each other's territories.

2.1.3. Transport and communication agreements

In the transport and communication fields the agreements concluded by the two countries include Transport and Communication Protocol agreement, the commercial road transport services agreement, and port and transit services agreement, all of which were signed on September 27, 1993. Since problems raised with respect to commercial road transport services are few and largely administrative, only highlights of port and transit services agreements are summarised.

Port and transit agreement

- a) Assab and Massawa shall serve as transit ports for Ethiopia; speedy movement of goods in transit shall be expedited and transit documentation and procedures shall be simplified and harmonised.
- b) Ethiopian goods transiting through Assab and Massawa shall be free of taxes and customs duties.
- c) Eritrea shall provide all necessary port handling and agency services to ships owned by Ethiopia and cargo destined to or originating from Ethiopia.
- d) Payments for services rendered to Ethiopian ships and cargo shall be effected in Birr except where the handling costs were paid for by the shipper or consignee in hard currency.
- e) Payment for Eritrean freight cargo loaded on Ethiopian ships shall be effected in Birr and the rate of payment shall be according to the agreed governing International freight rate.
- f) Food aid cargoes and materials which serve the immediate human need shall be free of port dues and storage penalty charges.
- g) Port services regulations and tariffs used by Eritrea shall be given to the Ethiopian government and when Eritrea intends to make changes of these regulations and tariffs it shall notify the Ethiopian government 60 working days in advance.

2.1.1. Trade agreement

On September 27, 1993 the Transitional Government of Ethiopia and the State of Eritrea concluded a trade agreement and protocol in order to promote and expand trade between the two countries. The agreement included the following main provisions.

- a) There shall be free movement of goods and services between the two countries for local consumption except those that are in short supply.
- b) Goods imported from a third country shall be re-exported freely subject to the laws and regulations of the two countries.
- c) Goods and services originating in a member country cannot be re-exported to a third country.
- d) A uniform standardisation system shall be established for the goods and services traded between the two countries.
- e) Trade and service transactions between the two countries shall be made in Birr.
- f) A joint trade committee shall be established to review the implementation of the agreement.

A memorandum of understanding signed on October 7, 1994 by the Ministers of the two countries further liberalised trade between the two countries making the following provisions.

- a) No additional intermediate and local payment should be imposed on goods and services traded between the two countries.
- b) The two parties agree to establish a joint customs committee to monitor day to day activities and give solutions to problems arising during implementation.
- c) Both parties agree that free movement of goods and services should not be distracted by 'short supply'.
- d) Transit goods shall be checked at end check points if the proper authorised documents are presented.

On April 3, 1995 the Government of the state of Eritrea and the Transitional government of Ethiopia further agreed to form a free trade area (FTA) as a first stage in the process of economic integration. The main provisions of the agreements are the following:

- a) Removal of tariff and non-tariff barriers on all goods and services produced and exchanged by the two countries.
- b) Periodic review to include new products and services produced and exchanged between the two countries.
- c) Harmonisation and simplification of customs documents and procedures, introduction of common classification of goods (based on SITC method), common instruments for data collection and a system of exchange of trade data.

2.2. Implementation status and underlying constraints.

As can be gathered from the above summaries of the main elements of the sectoral and macroeconomic agreements signed by the two countries, the agreements have opened up at least on paper a wide door for economic cooperation between the two countries. But realisation of the economic and social benefits to be derived depends on the extent of implementation of the agreements. The degree of implementation in turn depends on the fulfilment of prerequisites for successful implementation and on whether the set of agreed upon actions to be taken within

a given time frame to translate the agreements into practice have been taken or not. The prerequisites against which the implementation of the agreements has to be judged are the following:

- a) The degree to which agreements signed are in harmony or out of tune with the domestic economic and social policies of the two countries.
- b) Whether the gains expected by both parties from the agreements outweigh the sacrifices of independent policy making.
- c) Whether the independently followed economic policies of the two countries were converging or diverging over the implementation period.
- d) The degree of complementarity or competitiveness of the structures of domestic output of the two countries.
- e) The adequacy of the institutional mechanism set up to monitor the implementation of the agreements.
- f) Whether the substance of the agreements is fully communicated to those who are responsible for their implementation at various levels.
- g) Whether the agreements are stated in a manner that does not give rise to misinterpretations or differences in interpretation during implementation.

2.2.1. Trade and customs

... But as will be seen in the section on identified implementation problems the removal of tariff barriers is less than total because an important provision of the agreement, which in effect says that no additional local and intermediate payment should be imposed on goods and services traded between the two countries, has not been fully implemented. Besides, the payment of profit taxes at customs posts is a practice which can be regarded as a tariff barrier on trade.

With respect to the removal of non-tariff barriers, on the other hand, as noted by the Eritrean side, very little has been done since important provisions of the agreement with respect to this are still encountering implementation problems. Eritrea has been facing restrictions and outright prohibitions on its imports of Ethiopia's exportable products throughout the implementation period. The practice of multiple checks in between origin and destination is still going on contrary to the agreement which says that goods and services moving between Eritrea and Ethiopia with the appropriate documents shall be examined at point of origin and destination only. Ethiopia's decision to prohibit franco-valuta imports is a measure which can totally block re-export trade between the two countries and also can be a cause for the further intensification of illegal trade along the borders of the two countries. Differences in licensing requirements of the two countries are still acting as further obstacles to trade.

The Ethiopian side indicated that the agreements signed in the area of trade and customs have significantly contributed to the growing trade transactions between the two countries. However, the current practice of charging sales and excise tax on the basis of differences in tax rates of the two countries is not in line with the customs agreement.

The Ethiopian side further indicated that the restriction of exportable goods is in conformity with the trade agreements. Moreover, the prohibition of franco-valuta imports which is aimed to address problems which are associated with the

operation of such importing procedures is consistent with article II:2 of the trade agreement signed on September 1993.

Although the two countries have entered into an agreement to combat illegal trade, no cooperative action has been taken so far. In fact, discussion with customs officers at Zalenbessa border post revealed that coffee is being smuggled to Eritrea.

With respect to the request by Eritrean customs officers for overtime payment, the Ethiopian side regards such practice as a barrier to trade since such additional costs among other things, raise the final price to customers.

Moreover, it has been noted that Ethiopian traders are often requested to either present import-export licences or rent import-export licences from Eritrean traders in their sales or purchase of goods from Eritrea, which is believed to inhibit the free flow of goods between the two countries.

A broad conclusion that can be drawn from the above brief assessment of the implementation of various articles of the agreements is that the overall progress achieved in implementing the trade and customs agreements is not fully satisfactory. The underlying constraints which have impeded the implementation of the trade and customs agreements are mainly:

- a) divergences in economic policies of the two countries;
- b) differences in their trade regulatory systems;
- c) differences in the interpretation of various articles of the agreements;
- d) gaps in the agreements which provide loopholes for maintaining or introducing tariff and non-tariff barriers; and
- e) failure to establish in time the institutional mechanisms for following up the implementation of the agreements.

2.2.4. Macroeconomic policy harmonisation

Despite the protocol agreement of macroeconomic policy harmonisation little practical measure has been taken by the two countries to harmonise their macroeconomic policies due to the absence of the prerequisite of fully developed banking, transport and communication system and other institutional mechanisms required for full coordination within the framework of their cooperation agreements. Indeed new investment codes, tariff regimes, and exchange and interest rates have been put in place by the two countries independently since the cooperative agreements were signed. In the case of Ethiopia, the investment policy and interest rates were revised for the second time and tariff rates for the third time after the two countries signed the economic cooperation agreements. Although it is not the result of the joint efforts to harmonise the macroeconomic policies of the two countries, the divergence between the investment policies and tariff regimes of the two countries is narrower now than it was the case immediately after the signing of the cooperation agreements.

Full harmonisation of economic policies and particularly the macroeconomic policies of the two countries is a stage in the process of economic integration which can be reached only after successful implementation of the less demanding integration schemes of free trade and customs union.

Thus it could be argued that harmonisation of macroeconomic policies is an issue which must be pragmatically addressed at a proper time in the future after

the two countries have reached a high stage of cooperation particularly in the area of trade, transport and communications, banking, investment and institutional mechanisms for cooperation.

On the other hand, Ethiopia and Eritrea have on a number of occasions expressed their commitments to regional and sub-regional economic integration. And these commitments in most cases call for the difficult task of harmonisation and coordination of macroeconomic policies. Given the common currency (though the introduction of a new currency in Eritrea is imminent), the relatively high level of cross border trade, the use of common ports, to mention but a few, Ethiopia and Eritrea are in a better position than most African countries to move into economic integration in a relatively short time.

2.2.5. Investment

A comparison of the investment policies of the two countries shows that there are more areas for investment open to a foreign investor in Eritrea than can be found in Ethiopia. Citing these and other differences in investment policy, the authorities of both countries have on a number of occasions sought clarification as to how to implement the protocol agreement.

One thing has been made clear, however, by the latest investment code of Ethiopia. Eritrean nationals residing in Ethiopia can enjoy the privileges of a domestic investor. The question of whether Eritreans – residing in Ethiopia or not – can be granted investment licences in areas reserved for Ethiopian nationals was the subject of discussion both at previous technical meetings as well as at the fourth JHMC meeting held in Addis Ababa in August 1996. Although not included in the original terms of reference of the joint review committee, it was learned from the Minutes of Understanding of the JMC (this reached the Joint Review Committee two months after the start of the review exercise) that the JRC has to study the implications of opening investment areas reserved for Ethiopian nationals to Eritrean nationals who would like to invest in Ethiopia and vice versa and come up with recommendations to the JMC.

The Eritrean investment law, on the other hand, makes no distinction between a foreign and a domestic investor, except in the trade sector which requires a bilateral agreement of reciprocity.

4. Analysis of Identified Problems and Proposed Measures

2. *Restrictions on Eritrea's imports of Ethiopia's exportable products.* Overtime payment to Eritrean customs personnel by Ethiopian traders.
4. *Implementation of free trade agreement.* It is proposed that the ministries of both countries closely monitor and set deadlines for the assignments of the various parts of the agreement.
5. *Lack of adequate institutional mechanisms.*
6. *Illegal trade.* Until the divergences in policies are harmonised, the two countries had entered an agreement to combat illegal trade. But so far no concrete action has been taken.
7. *Joint committee on trade.* As a result of the absence of a joint trade committee to follow up the implementation of the agreement, many problems that could

have been solved at lower levels have become a national issue.

10. *Differences in licensing systems.* Eritrean traders who have only general import/export licences are required to have additional letters of support for their purchase of commodities like coffee, hides, skins, wood etc. from Ethiopia. The time and cost involved in trying to secure a licence for every commodity one wants to trade in separately is very discouraging and a cause of delays and missed opportunities to many traders and may be regarded as a non-tariff barrier. It is suggested that Ethiopia's intended shift to the general licence system be expedited. The Ethiopian side, on the other hand, indicated that differences in licensing system were a problem requiring serious attention and proposed that steps be taken to include a provision which can address such problems in the ongoing revision of the Ethiopian licensing system.

12. *Local charges and intermediate payments.* It was pointed out by the Eritrean side that various levies made by the zonal and local authorities were becoming tariff barriers to trade between the two countries. In order to enable trade between the two countries to be conducted with minimum barriers, it is necessary to make provisions which enable the trade agreement to supersede zonal and local laws and regulations.

The Ethiopian side, however, explained that the power to tax import/export trade rests with the central government only and, therefore, the question of local tax on trade between the two countries does not arise. The question of non-tax intermediate payments charged by regional governments be adequately dealt with in the next round of customs agreement negotiations.

14. *Prohibition of franco-valuta goods.* The Eritrean side stated the prohibition of franco-valuta imports by Ethiopia is a measure that amounts to a total ban on Eritrea's re-exports to Ethiopia with considerable negative impact on the Eritrean economy. Since the Birr is a common currency of both countries and all trade transactions between the two countries are conducted in Birr the prohibition of franco-valuta imports means that Eritrea can not have legal re-export trade with Ethiopia. This move by the Ethiopian side is a violation of article II:2 and article V of the 1993 trade agreement. This move is a reversal of the progress achieved so far in the expansion of trade between the two countries. Therefore, the trade and other relevant agreements should be revised to take account of this new development.

The Ethiopian side, on the other hand, indicated that the new regulation regarding the prohibition of franco-valuta imports is aimed at addressing problems of proliferation of the black market and unfair trade practices which are associated with the operation of such importing procedures. Furthermore, it was noted that the new regulation is consistent with article II:2 of the trade agreement signed between the two countries in September 1993.

4.6. Investment and business licensing

Both countries should implement what they already allow in their investment laws. In the case of Eritrea, Ethiopian nationals must be allowed to invest in those areas where the Eritrean investment law does not restrict foreign investment such as custom clearing.

Likewise, in accordance with the new investment code of Ethiopia - which provides for Eritreans residing in Ethiopia to invest in all areas except in banking insurance, electric power supply and air transport services - Eritrean nationals residing in Ethiopia should be granted investment licences in the areas not reserved for Ethiopians only.

The Eritrean side believes that such investment and licensing demands of the nationals of either country can only be fully satisfied when the existing disparities in the investment laws and practices of the two countries are reconciled through bilateral investment promotion and protection agreement. Addressing the issue of treatment of resident nationals alone will leave the issue of the treatment of non-resident nationals unsolved which is in fact the main source of current demands for investment licensing. Besides, determining who is a resident national of either country would require having an agreed definition of residence in order to ensure a fair reciprocal treatment. Thus, the Eritrean side proposes that the issue of investment be dealt with in a comprehensive bilateral investment promotion and protection agreement which delineates the areas of investment which would open to the nationals of both countries irrespective of whether they are residents or non-residents.

5. Summary and Conclusions

3. Several agreements were signed on the basis of the objective reality prevailing prior to the formulation and introduction of its macroeconomic policy, in the case of Eritrea, and prior to the launching of its economic reform programme, in the case of Ethiopia. Significant changes in macroeconomic policy and institutional arrangements (such as the restructuring of port administration) have taken place in both countries since the agreements were signed. These developments have rendered the agreements somehow outdated. In some cases, field officers, under strict orders from their headquarters to adhere to directives, find that provisions of the agreement are sometimes contradictory with current laws and regulations.

8. Lack of investment agreement delineating areas of economic activity which would be open to investment by the government and nationals of either country: for example, Ethiopian nationals and enterprises are repeatedly requesting to operate transit, clearing and forwarding and banking services in Eritrea and similarly, Eritrean enterprises have indicated their desire to start up banking and transport businesses in Ethiopia, but they can not obtain a positive response in the absence of an investment agreement.

9. The similar production structure of the economies of the two countries is also a constraint which forces them to look for most of their import needs especially with respect to development inputs from third countries. This together with the use of the Birr as a common currency for both countries has led Ethiopia to restrict exportables from entering the Eritrean market.

10. The above constraint is reinforced by the lack of a provision in the trade agreement on how trade surpluses and deficits are to be settled periodically. Accumulated surpluses on one side means interest free loan to the deficit side and no incentive to reduce one's deficit by expanding exports to the other side.

Having analysed the above problems and issues associated with them, the JRC has come up with proposals which call for measures including:

- a) A thorough revision of the existing agreements in areas of trade, customs, transport, port and transit services and macroeconomic harmonisation and conclusion of new agreements in the areas of banking, investment promotion and protection and institutional set-ups for cooperation.
- b) Provision of clear instructions and guidelines for those responsible for the implementation of the agreements both at the operational and supervisory levels.
- c) Ensuring that all concerned have clear and timely information on the provisions of the agreements, procedures and new developments that affect established norms.

Finally, the JRC believes that, with the implementation of the proposed measures, a strong foundation and a conducive environment for an all round cooperation between the two countries will be created.

APPENDIX 3

Extracts from letters exchanged between
President Issaias Afwerki &
Prime Minister Meles Zenawi,
July-August 1997

Letter from President Issaias Afwerki to Prime Minister Meles Zenawi,
16 August 1997, protesting the forcible occupation of Adi Murug in Badi by
the Ethiopian army

Comrade Melles,

Greetings.

I have been compelled to write to you to day because of the preoccupying situation prevailing in the areas around Bada.

It cannot be said that the border between our two countries is demarcated clearly although it is known traditionally. And we had not given the issue much attention in view of our present and future ties. Moreover, I do not believe that this will be a cause of much concern and controversy even in the future.

Be this as it may, there have been intermittent disputes in the border areas arising from different and minor causes. Local officials have been striving to defuse and solve these problems amicably. However, the forcible occupation of Adi-Murug by your army in the past few days is truly saddening.

There was no justification for resorting to force as it would not have been at all difficult to settle the matter amicably even if it was deemed important and warranting immediate attention. It would also be possible to quietly and without haste demarcate the boundaries in case that this is felt to be necessary.

I, therefore, urge you to personally take the necessary prudent action so that the measure that has been taken will not trigger unnecessary conflict.

Best Regards
Your comrade
Issaias Afwerki
16/08/97

Response of Prime Minister Meles to the Letter of President Issaias Afwerki of 16 August 1997 (the letter also addresses other bilateral issues which are not included here)

Comrade Issaias,

Greetings.

I have seen the letter you sent me. I had also heard that the situation in the border areas does not look good. I was also informed that the matter was discussed between your colleagues (*Yemane*), who had come here, and ours (*Tawolde*). We did not imagine that what happened in Bada could create problems. Because the areas our comrades are controlling were not controversial before and we believed that prior consultation was only necessary for disputed areas. We moved to the area to pursue the remnants of Ougugume (*Afar opposition*) who were obstructing our peace efforts from positions there. We believe we can ease the tension concerning the borders on the basis of the understanding reached previously between your team and our colleagues (*Tawolde*). Perhaps, it is also necessary to settle the border demarcation issue after the necessary preparations are carried out by both sides.

...

Second letter from President Issaias Afwerki to Prime Minister Meles Zenawi (the letter contains material on other bilateral business which is not included here)

Comrade Melles,

Greetings.

Regarding the situation in the border areas, my information establishes that the measures taken at Adi-Murug were not in areas that are undisputed but in our own areas and by expelling our officials and dismantling the existing administration. Concerning the Ougugume, your action (*in Adi-Murug*) came as our Defence was preparing to cooperate on the basis of the request from your Army. Moreover, similar measures have been taken in the Badme area.

As I had indicated to you, these measures are unjustified. In order to expediently check any further deterioration and pave the way for a final solution, we have assigned on our part three officials (*Defence Minister Sebhawt Ephrem; PFDJ Head of Political Affairs, Yemane Ghebreab; and National Security Advisor, Abraha Kassa*). I suggest that you also similarly (or in ways you think best) assign officials so that both sides can meet as soon as possible to look into these matters. I await your thoughts.

Best Regards
Your Comrade
Issaias Afwerki
25/08/97

APPENDIX 4

Statement of the Council of Ministers of the Federal Democratic Republic of Ethiopia on the Dispute with Eritrea, 13 May 1998

The Government of the Federal Democratic Republic of Ethiopia and all the peoples of our country have been making strenuous efforts to ensure the prevalence of a durable peace within Ethiopia and in the sub-region. To this end we have not only striven to build peace within the country, but we have deployed ourselves to the same degree in making unrelenting efforts to develop relations with neighboring countries on the basis of respect for equality and sovereignty. In the conviction that the peoples of our neighborhood will be the beneficiaries from the development of neighborly relations based on peace and mutual benefit, we have stood steadfastly for peace. Our stand in support of regional peace will continue to be maintained in the future.

The endeavors of the Government of the Federal Democratic Republic of Ethiopia and all the peoples of our country to ensure peaceful relations with neighboring countries are undertaken with the conviction that border claims can be resolved through peaceful means. On this basis we, on our part, have been trying to resolve claims relating to some localities on our borders with Eritrea peacefully and through negotiation.

This being the fact, the Eritrean Government and the ruling Popular Front for Justice and Democracy have chosen to resolve the border issue by force reneging from the process of peaceful settlement of the matter.

Consequently they have on the 12th of May 1998, entered Ethiopian territory which they have been claiming. They have clashed with police and local militia forces present to maintain the security of the area, and are in control of some positions.

The Ethiopian Government vehemently condemns this move of the Eritrean Government and the Popular Front since it violates the sovereignty of Ethiopia and obstructs the ongoing efforts to resolve issues of claims in a peaceful manner. Furthermore, Ethiopia demands that the Eritrean Government unconditionally and immediately withdraw from Ethiopian territory and cease its provocative and belligerent activity. In the event that the Eritrean Government and the Popular Front do not desist from this dangerous action and withdraw from Ethiopian territory without any precondition the Ethiopian Government will take all the necessary measures that the situation demands to safeguard the sovereignty and territorial integrity of our country.

The Council of Ministers,
Federal Democratic Republic of Ethiopia
May 13, 1998

APPENDIX 5

Statement of the Cabinet of Ministers of the Government of Eritrea on the Dispute with Ethiopia, 14 May 1998

The Cabinet of Ministers of the Government of Eritrea has held a meeting in Asmara today, Thursday, May 14, 1998, to consider the Statement issued by the Council of Ministers of the Federal Democratic Government of Ethiopia which accuses Eritrea for inciting conflict and hatred and pursuing a policy of territorial expansion; condemns Eritrea alleging that its army has invaded Ethiopian territory by crossing its borders; and warns that Ethiopia will take all the necessary measures to protect its territorial integrity.

The Government and people of Eritrea are greatly saddened by the tone and contents of these grave accusations.

The Cabinet of Ministers of the Government of Eritrea noted that there have been, and continue to exist, border disputes in certain localities along the common borders between Eritrea and Ethiopia. These problems have been instigated by the unlawful practices of the Ethiopian army which occasionally made incursions into these Eritrean territories; dismantling the local administrative structures and committing crimes against the inhabitants.

But despite these periodic occurrences, the Cabinet asserted that the Government of Eritrea has been consistently endeavouring to resolve these recurrent problems through bilateral negotiations with the Government of Ethiopia in a calm and patient manner; cautious for not inflating the problem out of proportions and incite animosity between the two fraternal peoples. The Government of Eritrea has opted for this course of action because it believes that the international boundary between Eritrea and Ethiopia is very clear and incontrovertible. Because it knows that the recurrent border incursions that continue to be perpetuated by Ethiopian forces basically emanate from the narrow perspectives of the Administrative Zones.

The Cabinet of Ministers further noted that a Joint Committee had been formed from both governments to resolve these problems and to delineate on the ground the boundary line. The Cabinet of Ministers asserted that the Government of Eritrea has been exerting all the necessary efforts to expedite the process and facilitate the work of the Joint Committee.

But on Wednesday, May 8, 1998, and while the Eritrean delegation was on its way to Addis Abeba for a meeting of the Joint Committee to discuss ways and means for accelerating its work, Ethiopian army contingents that had already penetrated into Eritrean territory in the areas around Badme (southwestern Eritrea) opened fire and caused grave damage on Eritrean units that attempted to approach them for dialogue. This unprovoked attack subsequently triggered a cycle of clashes in the area.

Furthermore, while continued talks were underway to resolve the tension provoked by the first attack, an appalling Statement aimed at sending an unnecessary message to the peoples of both countries and the international community was issued by the Council of Ministers of the Federal Democratic Government of Ethiopia.

The Cabinet of Ministers reiterates its firm belief that the enduring mutual interests that exist and bind together the peoples of Eritrea and Ethiopia cannot be jeopardized by any border dispute. The Cabinet of Ministers accordingly proposes the following framework as a solution to the problem that has been made to be blown out of proportions and derailed from its path.

1. The Government of Eritrea condemns the logic of force as it firmly knows and upholds that border disputes of any kind can only be resolved through peaceful and legal means; and not through military means.
2. On the basis of this principle, each party shall publicly announce to the peoples of Eritrea, Ethiopia and the international community the territories that it claims – if any – and designate them on the political map with clear geographical coordinates. Each party shall also accept that the dispute cannot, and should not be, resolved by force but through peaceful negotiations.
3. Both parties shall agree that all negotiations and understandings that will be conducted henceforth shall be carried out in the presence and through the mediation of a Third Party. The latter will act as witness and guarantor.
4. Areas under 'dispute' shall be demilitarized temporarily and be free from the presence of armies of both countries. The enforcement of this understanding shall be guaranteed by the Third Party.
5. If the above proposal for resolving the dispute through the involvement of a Third Party and without further complications is not acceptable, the matter to be referred to international adjudication.

The Government of Eritrea firmly believes that attempts to inflate the minor and temporary problem that has been created along the borders of the two sisterly countries will not serve the fundamental interests of the Eritrean and Ethiopian peoples. The Government of Eritrea pledges that it will, as ever before, spare no efforts to handle the present problem with the requisite patience and responsibility. It does not, accordingly, see any wisdom in precipitating tension through inflammatory campaigns.

The Government of Eritrea therefore calls upon the Government of Ethiopia to pursue a similar path that will promote the interests and good neighbourliness of the peoples of both countries. The Cabinet of Ministers of the Government of Eritrea further reasserts its belief that the peoples of Eritrea and Ethiopia will maintain and preserve their mutual interests rooted in peace, good neighbourliness and cooperation.

Asmara, May 14, 1998

APPENDIX 6

US Press Statement on the US-Rwanda Peace Plan

US Department of State, Office of the Spokesman, Press Statement

Press Statement by James P. Rubin, Spokesman
June 3, 1998

The Dispute Between Ethiopia and Eritrea

At the request of both parties, for more than two weeks the Governments of the United States and Rwanda have been engaged in intensive efforts to facilitate a peaceful resolution of the dispute between Eritrea and Ethiopia.

The objective of the joint American-Rwandan facilitation effort has been to promote a peaceful and durable settlement of this dispute and to prevent a war, which would cost many lives and undermine regional stability. Having excellent relations with the Governments of both Eritrea and Ethiopia, the United States and Rwanda have sought to encourage both parties to protect the peace that has taken root in the Horn of Africa since 1991. Throughout our facilitation effort, we urged both parties to exercise restraint.

The facilitation team listened carefully to the detailed positions of both parties and attempted to take full account of their respective perspectives and interests without making any judgment as to where the disputed border lies or what actions may have precipitated the crisis that began with the border skirmish on May 6.

Based on our consultations, it is clear to the United States and Rwanda that there are many areas of commonality between the two parties and that there exists a practical, principled basis for peaceful resolution of this conflict. Thus, the facilitators presented recommendations to both parties on May 30-31 and asked each party to confirm their acceptance of these recommendation.

The US-Rwandan recommendations are summarized as follows:

- 1) Both parties should commit themselves to the following principles: resolving this and any other dispute between them by peaceful means; renouncing force as a means of imposing solutions; agreeing to undertake measures to reduce current tensions; and seeking the final disposition of their common border, on the basis of established colonial treaties and international law applicable to such treaties.
- 2) To reduce current tensions, and without prejudice to the territorial claims of either party: a small observer mission should be deployed to Badme; Eritrean forces should redeploy from Badme to positions held before May 6, 1998; the

previous civilian administration should return; and there should be an investigation into the events of May 6, 1998.

- 3) To achieve lasting resolution of the underlying border dispute, both parties should agree to the swift and binding delimitation and demarcation of the Eritrea-Ethiopia border. Border delimitation should be determined on the basis of established colonial treaties and international law applicable to such treaties, and the delimitation and demarcation process should be completed by a qualified technical team as soon as possible. The demarcated border should be accepted and adhered to by both parties, and, upon completion of demarcation, the legitimate authorities assume jurisdiction over their respective sovereign territories.
- 4) Both parties should demilitarize the entire common border as soon as possible. Finally, the facilitators presented both sides with a detailed implementation plan and recommended that each party convey, in a legal and binding manner, their acceptance of the above recommendations and implementation plan to the facilitators.

The United States and Rwanda regret that these recommendations have not yet been accepted by both sides as the basis for a peaceful resolution of this dispute. We are gravely concerned by the resumption of hostilities in recent days, which will render more difficult efforts to achieve a peaceful outcome.

As friends of the Government of Eritrea and Ethiopia, the United States and Rwanda call on both sides to avoid an escalation of the conflict, to reaffirm their commitment to a peaceful resolution of this dispute, to halt the fighting and to accept without delay the facilitators' recommendations as the basis for a peaceful resolution of this conflict. We remain committed to helping both sides achieve a peaceful settlement and avoid wider conflict through pursuit of further diplomatic efforts.

The Rwandan Government is issuing a statement on this important matter as well.

APPENDIX 7

OAU High-Level Delegation: Proposals for a Framework Agreement for a Peaceful Settlement of the Dispute Between Eritrea & Ethiopia, 7-8 November 1998

We, the Heads of State and Government, mandated by the 34th Ordinary Session of the Assembly of Heads of State and Government of the Organization of African Unity, held in Ouagadougou, Burkina Faso, from 8 to 10 June 1998, to contribute towards the search for a peaceful and lasting solution to the unfortunate conflict which erupted between the brotherly countries, the State of Eritrea and the Federal Democratic Republic of Ethiopia;

Deeply affected by the outbreak of the conflict between the two countries that are united by historic links of brotherhood and a common culture;

Saddened by this conflict which occurred at a time when the Federal Democratic Republic of Ethiopia and the State of Eritrea had launched a new era of relations built on a partnership and a common vision and ideals as regards the future of their peoples, the region and the whole continent;

Noting, however, that differences had emerged between the two countries relating particularly to their common border, differences which the two countries endeavoured to resolve peacefully;

Deploring the fact that, notwithstanding those efforts, an open conflict broke out between the two brotherly countries, with which our 34th summit was seized;

Paying tribute to the commendable efforts made by friendly countries aimed at finding a peaceful solution to the conflict;

Conscious of the fact that resorting to the use of force results in loss of human lives, the destruction of property and socio-economic infrastructures as well as creating a division between the peoples, all the things which the two brotherly countries and our continent cannot afford at a time when all efforts must be channelled towards the promotion of peace and development which we greatly owe to our peoples;

Encouraged by the commitment made by the two Parties to the OAU High-Level Delegation to settle the conflict peacefully and by their positive response to its appeal to continue to observe the moratorium on air strikes and to maintain the present situation of non-hostilities;

Having considered and endorsed the Report and Recommendations of the Committee of Ambassadors, as submitted by the Ministerial Committee to the parties on 1 August 1998 in Ouagadougou, Burkina Faso;

Having listened to the two Parties and made an in-depth analysis of their respective positions, taking into account their legitimate concerns and after having thought deeply about the ways and means likely to contribute to the peaceful settlement of the crisis in a fair and objective manner;

MAKE on behalf of Africa, its peoples and leaders, a solemn and brotherly appeal to the Leaders of the State of Eritrea and the Federal Democratic Republic of Ethiopia to do everything in their power to opt for a peaceful settlement of the dispute and find a just and lasting solution to the conflict;

SUBMIT, hereunder, for the consideration of the two Parties, the elements of a Framework Agreement based on the following principles:

- resolution of the present crisis and any other dispute between them through peaceful and legal means in accordance with the principles enshrined in the Charter of the Organization of African Unity;
- rejection of the use of force as a means of imposing solutions to disputes;
- respect for the borders existing at independence as stated in Resolution AHG/Res. 16(1) adopted by the OAU Summit in Cairo in 1964 and, in this regard, determine them on the basis of pertinent colonial Treaties and applicable international law, making use, to that end, of technical means to demarcate the borders and, in the case of controversy, resort to the appropriate mechanism of arbitration.

We recommend that:

1. The two Parties commit themselves to an immediate cessation of hostilities;
2. In order to defuse tension and build confidence, the two Parties commit themselves to put an immediate end to any action and any form of expression likely to perpetrate or exacerbate the climate of hostility and tension between them thereby jeopardizing the efforts aimed at finding a peaceful solution to the conflict;
3. In order to create conditions conducive to a comprehensive and lasting settlement of the conflict through the delimitation and demarcation of the border, the armed forces presently in Badme Town and its environs, should be redeployed to the positions they held before 6 May 1998 as a mark of goodwill and consideration for our continental Organization, it being understood that this redeployment will not prejudice the final status of the area concerned, which will be determined at the end of the delimitation and demarcation of the border and, if need be, through an appropriate mechanism of arbitration;
4. This redeployment be supervised by a Group of Military Observers which will be deployed by the OAU with the support of the United Nations. The Group

APPENDIX 8

Interviewees

1. Medhane Tadesse
2. Mohammed Habib
3. Ambassador Adhanom G/Mariam
4. Huruy Tedla
5. Tesfaye Werede
6. Estifanos Tesfaye

Interview guides

- What do you think the root causes of the Ethio-Eritrea conflict?
- Do you think the causes of the conflict were sufficiently understood when the Algiers peace process was framed?
- Why does Ethiopia insist on “further talks” while Eritrea rejects dialogue?
- What kind of remedies do you suggest to bring lasting peace?
- What do you think should be in this regard the role of; governments in both countries; civil society; international Community?
- Do you think there are outlets from the current stalemate?
- Some writers argue that the long last solution cannot only bring via legal means but also needs political solutions. What is your opinion?
- Have you ever-similar case between other countries? If yes, what means did they use to get lasting solution for the problem?

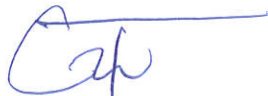
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DECLARATORY NOTE

I, the undersigned, hereby declare that this graduate thesis is my originally work. To the best of my knowledge, it has not been presented for a degree program in any of the other Universities before. More over, all the principal source of primary and secondary data used to develop the thesis have been duly acknowledged by the project.

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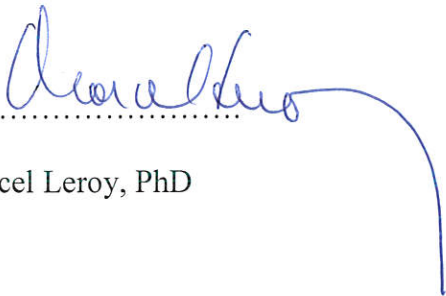
Signature:



Date:

6/7/2009

This thesis has been submitted for the examination with my approval as university advisor.



Marcel Leroy, PhD