

ADDIS ABABA UNIVERSITY
SCHOOL OF GRADUATE STUDIES

REVITALIZATION OF ETHIOPIA-TURKEY RELATIONS
IN THE ERA OF GLOBALIZATION (2002-2015)

By

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ADDIS ABABA

JUNE 2015

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A THESIS SUBMITTED TO SCHOOL OF GRADUATE STUDIES OF
ADDIS ABABA UNIVERSITY IN PARTIAL FULFILMENT OF THE RE-
QUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTERS OF
ARTS IN INTERNATIONAL RELATIONS

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SCIENCE AND INTERNATIONAL RELATIONS

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Table of Contents	page
Lists of Figures	iii
Lists of Tables.....	iii
Acronyms.....	iv
Acknowledgements	vi
Abstract.....	vii
Chapter One	1
Introduction.....	1
1.1. Background of the Study.....	1
1.2. Problem Statement.....	3
1.3. Core Argument.....	4
1.4. Research Objectives	5
1.4.1. General Objective	5
1.4.2. Specific Objectives.....	5
1.5. Research Questions	5
1.5.1. General Research Question	5
1.5.2. Specific Research Questions	5
1.6. Methodology and Methods of the study	5
1.7. Study Area.....	7
1.8. Scope of the Study.....	8
1.9. Significance of the Study	8
1.10. Limitations of the Study	9
1.11. Organization of the Thesis.....	9
Chapter Two.....	10
Review of Literature	10
2.1. Introduction	10
2.2. Sub-Sahara-Africa-Turkey Relations	10
2.3. An Over view of Ethiopia-Turkey Relations.....	13
2.4. Theoretical Perspectives	18
2.4.1. Neo Liberalism	19
2.4.2. Constructivism	20
2.4.3. Neo Realism	21
2.5. Conceptual Perspective	23
Chapter Three	25
Contextual Indicators of Ethiopia-Turkey Relations.....	25

3.1. Introduction	25
3.2. Ethiopia-Turkey Historical Relations.....	25
3.3. Globalization and Ethiopia-Turkey Relations	30
3.4. Domestic and Foreign Policy Environments.....	32
3.5. Indicators of Ethiopia-Turkey Relations	38
Chapter Four.....	41
Economic Relations.....	41
4.1. Introduction	41
4.2. Legal and Institutional Frameworks of Trade and Investment Partnership	41
4.3. Trade Relations	48
4.4. Investment Relations	56
4.5. Development Finance.....	66
4.6. Challenges and Prospects of Trade and Investment Partnership	69
Chapter Five.....	74
Political Relations	74
5.1. Introduction	74
5.2. Legal and Institutional Frameworks	74
5.3. Diplomatic Relations	83
5.4. Military Cooperation	93
Chapter Six.....	97
Social Relations.....	97
6.1. Introduction	97
6.2. Legal Frameworks	97
6.3. Education	99
6.4. Health	105
6.5. Tourism.....	106
6.6. Culture, Science and Technology, Mass Media and Youth and Sport.....	107
Chapter Seven.....	113
Conclusion.....	113
End Notes	115
References.....	117
Appendices.....	127

Lists of Figures

FIGURE 0.1 CONCEPTUAL FRAMEWORK OF ETHIOPIA-TURKEY MULTIPLE RELATIONS.....	23
FIGURE 4.0.1 SUMMARY OF ETHIOPIA-TURKEY BILATERAL TRADE ANALYSIS BY YEAR AND VALUE.....	52
FIGURE 4.0.2. TRENDS OF TURKISH FDI TO ETHIOPIA FROM 2003 TO 2015*	58
FIGURE 4.0.3. TURKISH FDI PROJECTS IN ETHIOPIA BY REGION AS OF FEBRUARY 16, 2015	61
FIGURE 4.0.4 THE TOP EIGHT FDI SOURCE COUNTRIES OF ETHIOPIA BY NUMBER OF PROJECTS AS OF FEBRUARY 2015*	62
FIGURE 4.5. THE EIGHT LARGEST SOURCE OF FDI TO ETHIOPIA BY CAPITAL SIZE BY END OF 2014*	64

Lists of Tables

TABLE 4. 1 ETHIOPIA’S MAJOR EXPORT TO TURKEY BY FOB VALUE IN MILL. USD AND RANK FROM 2010-2104.	50
TABLE 4.2ETHIOPIA’S MAJOR IMPORT ITEMS TO TURKEY VALUE IN USD MILL. BY YEAR AND RANK	53
TABLE 4.3. ETHIOPIA-TURKEY TOTAL TRADE VOLUME, BALANCE OF PAYMENTS, ANNUAL TRADE AND DEFICIT GROWTH BY YEAR FROM 2002- 2014.....	55
TABLE 4.4. SUMMARY OF LICENSED TURKISH INVESTMENT PROJECTS BY SECTOR AND STATUS SINCE NOVEMBER 13, 2003 - FEBRUARY 16, 2015.....	63

Acronyms

AA	Anadolu Agency
ADB	African Development Bank
AGM	Turkey Africa Partnership Forum
AKP	<i>Adalet ve Kalkınma Partisi</i>
AMSOM	African Mission in Somalia
AU	African Union
BBC	British Broadcasting Corporation
CSA	Central Statistical Agency
CIF	Cost Insurance and Freight
DAG	Development Assistance Group
ECCSA	Ethiopian Chamber of Commerce and Sectorial Association.
EIC	Ethiopian Investment Commission
ENA	Ethiopian News Agency
EPRDF	Ethiopian Peoples' Revolutionary Democratic Front
ERCA	Ethiopian Revenue and Customs Authority
FDRE	Federal Democratic Republic of Ethiopia
FDI	Foreign Direct Investment
FOB	Free on Board
GDP	Gross Domestic Production
GSP	Generalized System of Preferences
HS	Harmonized System
IGAD	Inter-Governmental Authority on Development

JEC	Joint Economic Commission
IMF	International Monetary Fund
MFA	Ministry of Foreign Affairs
MFN	Most Favoured Nations
MNC	Multi National Corporation
MoJ	Ministry of Justice
MOU	Memorandum of Understanding
NATO	North Atlantic Treaty Organization
NBE	National Bank of Ethiopia
NETS	Nejashi Ethio-Turkish International Schools
ODA	Official Development Assistance
TAP	Turkey-Africa Partnership
TIKA	Turkish International Cooperation Agency
TUSKON	Confederation of Businessmen and Industrialists of Turkey
UNCTAD	United Nations Conference on Trade and Development
UNMID	United Nations Mission in Darfur
UNMISS	United Nations Mission in South Sudan
UNSC	United Nations Security Council
WB	World Bank
WTO	World Trade Organization
USD	United States Dollar
SNPPRS	Southern Nations Nationalities and Peoples Regional State

Acknowledgements

First and for most, I praise to almighty ALLAH, Equal to none, who made me survive to this day and I say ALLHAMDULILLAH.

The ambition of writing begins with the author alone, but the completion only happens with the help and cooperation of many. Thus, I would like to express my heartfelt indebtedness to who deserve so.

I am very much thankful to my advisor Prof. V.K Padmanabhan, for his enthusiastic advice, constructive comments and timely consultation, which helped me to complete the paper.

My academic achievements would have been unimaginable, had it not been for my parents support. Therefore, I would like to extend my deepest gratitude to my father Mamo Jara and my mother Kote Nabi for their invaluable aid to my life and academic success.

I owe a wholehearted thank to Mohammed Mamo, Instructor at Department of Electrical Engineering, Ambo University, for his invaluable advice and support beside financial and logistic support, without which this study would not have been successful.

I would also like to thank Fayisa Abashemo, Customer Officer at Commercial Bank of Ethiopia, who provided me with material support as well as helped me with editing. My thanks also extend to my friend Gemachu Ayano, Auditor at ERCA for his moral and financial support during hard times that I came across.

Last, but not the least, though I could not afford to thank on this piece of paper, many deserve to be acknowledged. All, who have wished, contributed or expected my success.
THANK YOU VERY MUCH!

Nagayo Mamo

June 2015

Abstract

The first decade of 21st century marks a new phase in the relations of Ethiopia and Turkey. During the period relations between the two countries transformed into unprecedented stage. The aim of this study is to examine Ethiopia-Turkey relations after 2002 by focusing on economic, political and social relations. Towards this end, the study employed qualitative research approach. Key Informant Interview and content analyses methods of data collection were used to pertinent information.

The study identified globalization, foreign policy reorientation and economic growth as the major factors that shaped Ethiopia-Turkey relations during 2002-2015. Of particular relevance, economy and specifically investment and trade were the most important sectors boldly visible in the relationships of Ethiopia and Turkey. However, in areas such as trade asymmetrical relations in favour of Turkey have marked the bilateral partnership during period. On the other hand, political and social relations have grown over the years because of strong economic interdependencies. In short, this study identified that Ethiopia-Turkey relations have grown and expanded in all direction since 2002.

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Chapter One

Introduction

1.1. Background of the Study

Ethiopia is among the few African countries that had earliest contacts with Turkey. Although the exact date of first contact between Ethiopia and Turkey is difficult to trace, various historical evidences point to sixteenth century incident. The then Ottoman Empire intervened in the proxy war against Portugal, supporting the force of Ibin Ahmed Ibrahim Alghazi-locally known as Ahmed Gragn who fought with Christian highland kingdom in the civil-war that took place during the second quarter of 16th century (Mordichi, 1980). For the next three centuries, relations between the two nations remained placid yet increasing.

The twentieth century brought changes that transformed the political history of both nations. In Ethiopia, modern state formation was completed around close of the twentieth century. Following the victory at Battle of Adwa (1896), many states including super powers recognized Ethiopia as a sovereign and independent nation. Consequently, Ethiopia established modern and formal diplomatic relations with European countries during the beginning of twenty first century. On the other hand, the collapse of Ottoman Empire after First World War led to formation of modern Turkish republic in 1923.

Ethiopia and Turkey established formal diplomatic relations in 1896. In 1910, Turkey opened Consular office in Harar. Only few years after consolidation of political power, Turkey opened an embassy in Addis Ababa in 1926 and Ethiopia opened one in Ankara in 1933. The two countries maintained good relations during Ethiopian imperial regime (1931-1974). However, the good relations between the two countries were not able to continue during the Ethiopian military Derg regime (1974-1991). This was obviously due to opposing cold war ideological divisions that repulsed the two countries apart. Consequently, Turkish embassy in Addis was closed in 1984 marking the end of diplomatic relations.

Although the end of cold war removed ideological element in foreign policy, the relations between the two countries moved at a slower pace until the lapse of 20th century. The first decade of 21st century marks a new phase in the relations of the two countries. During this period Turkey's relations with Africa in general and Ethiopia in particular, transformed into an unprecedented stage.

The cordial relations witnessed between Ethiopia and Turkey during the decade and its transformation into a higher stage is of course not accidental. Among other things, regime change in Turkey that resulted in new foreign policy during the beginning of the millennium played great role on boosting up its bilateral relations with Ethiopia. Since 2002, Turkish foreign policy brought new striking aspects in scope and content such as opening to Africa (Ozkan, 2011). On the other hand, just at the same time Ethiopia also formulated a new foreign policy that specifically mentioned Turkey as its very friendly state (Government Communication Affairs (GCAO), 2002: 137-38). Both countries reoriented, but not limited their respective foreign policy towards economic national interests. Accordingly, economic diplomacy became the common method of policy realization. Therefore, the foreign policy coincidence is an important factor in the newer phase of Ethio-Turkish relations.

This newer phase of relations is by far beyond the older state centric approach. Non-state actors, mainly business companies and Nongovernmental Organization, are widely involved. The result of this is widening in scope of their relations, hence multiple interests of both nations. The relations are multi-dimensional that it encompasses economic, political and social objectives of the two nations. However, the economy and specifically investment is the most important sector boldly visible in the bilateral relationships of Ethiopia and Turkey (The Ethiopian Reporter, 2014). Another significant indication of the developing relations between the two countries is the fast increase of volume of trade registered in recent years.

Ethiopia has also established good political and social relations with Turkey. The two countries have been cooperating at bilateral, regional and global levels. The upgrading of diplomatic relations to Embassy level and frequent exchange of visits at different official levels are clear signs of cordial political relations between Ethiopia and Turkey. Cooperation at regional and global levels have been marked by mutual support on regional peace and stability matters, and common concern and position over global matters that are sensitive to national interest of either or both of the states.

Ethiopia-Turkey social relations have been growing after post-cold war. Social interactions between people of the two nations increased as a result of improved political and economic relations. People to people interactions has been growing through institutional partnership in academic, trade, investment, military, mass media, NGOs, culture etc. .

In general, the relations between Ethiopia and Turkey are both historical and contemporary. They did not move on a smooth path in the beginning. Historically, there are vicissitudes in

the interactions between the two nations. However, since the end of cold war, it moved at good phase and after the beginning of new millennium, dramatic progress is achieved in the history of Ethio-Turkish relations. Against this general background the researcher attempts to analyse the matrices of the bilateral relations between the two states descriptively.

1.2. Problem Statement

During the first decade and half of twenty first century, Ethiopia has established one of fast growing and the most remarkable economic, political and social relations with Turkey. During the period Ethiopia's relations with Turkey has been stronger than other emerging economies that have established good relation with the former such as China and India. Turkey's presence in Horn of Africa in general and in Ethiopia in particular increased at faster rate than ever during the first decade of twenty first century (Ozkan, 2012:97).

In the economic realm, Ethiopia is receiving a fast growing foreign direct investment from Turkey. Currently, Turkey leads not only emerging economies such as China, India but also established economies of USA in total foreign investment in Ethiopia. For instance, the total foreign investment capital from Turkey (ETB 81.63 billion) is much higher than China (ETB 57.95 billion), India (ETB 53.66 billion) and USA (ETB 53.22 billion). The first investment from Turkey was licensed in November 2003 while Chinese started in 1998. However, Turkey has taken a lead position in a relatively short period (Bizclim, 2014:12). Since the visit of Prime Minister Raci Tayep Erdogan to Ethiopia in 2005, political relations had moved a step forward. The prime minister also visited Ethiopia in May 2009 and January 2015. This makes Erdogan the only non-African President that has made official visit to Ethiopia three times in a decade. Briefly, Ethiopia-Turkey engagement had given a testimony of increasing development in bilateral cooperation in many fields and shown notable progress over the past decade.

Even though Ethiopia-Turkey relations have been marked by dramatic growth and unprecedented outcomes, scholarly attention is lacking in the field. Yet, there are few literatures that worth mentioning in the field. Henze, (2005) identifies similarities between Ethiopia and Turkey and summarizes how the domestic similarities differently led to unequal development levels. Despite similarity in geography, resource endowments, pressure for modern development, demography, history, foreign relations and regional instability, Turkey unlike Ethiopia achieved advanced economy. Thus, Ethiopia should follow Turkey's path of development endeavour. The literature fairly compares Ethiopia and Turkey and concludes that the former

will benefit by sharing experiences of the latter. The literature attempts to answer the question ‘what ought to be done?’ without describing the nature and scope of existing bilateral relations. Due to this, the study fails to appropriately address contemporary relations of Ethiopia and Turkey.

Ethiopia-Turkey relations have also been addressed in the Ethiopian Foreign Affairs and National Security Policy and Strategy. ‘Given the high market potential and rapid economic growth, Ethiopia should implement a foreign policy that focuses on economic and fostering strong ties with Turkey’ (MFA, 2002:136). The literature merely discussed foreign policy objectives of Ethiopia towards Turkey, and failed to explain how the bilateral relations moved afterwards. Besides, the literature excluded political and social aspects of the relations. David Shin, (2012) addressed Turkey’s growing interest in the Horn of Africa in general and Ethiopia in particular. According to Shin, Turkey’s growing interest in Ethiopia during last decade among others, has been marked by rapidly increasing volume of trade, size of FDI, frequent visits of higher officials and a number of agreed and ratified agreements. In terms of scope, the literature fairly addresses the major elements of bilateral relations. However, the literature describes the relations only from Turkey’s point of view. Therefore, the literature is marked by bias towards Turkey. In addition, the literature solely focused on outcomes of the relations failing to analyse the causes and development of the relations.

This study attempts to contribute to the scanty literatures available in the field by addressing the gaps. Toward this goal, the study incorporates all significant variables that would help to comprehensively describe and explain contemporary relations of Ethiopia and Turkey. Accordingly, economic, political and social relations of the two states will be presented by identifying the major components that explain each aspect of their relations. The study is enriched both with numerical data and with qualitative explanation that would help to appropriately explain and understand the nature and level of the bilateral relations. To avoid biasness, the study includes views and perceptions both from the side of Ethiopia and Turkey. In short, by addressing limitations of previous studies, this study provides a framed and holistic discussion and analysis of Ethiopia-Turkey relations since 2002.

1.3. Core Argument

The central argument of this research is, Ethiopia-Turkey economic, political and social relations has been growing and expanding without major challenges during 2002-2015.

1.4. Research Objectives

1.4.1. General Objective

The overall objective of this study is to assess the transformation of Ethiopia-Turkey relations in economic, political and social spheres after the end of cold war in general and from 2002-2015, in particular.

1.4.2. Specific Objectives

This study aims to:

- Explain historical and contemporary factors that influence Ethiopia-Turkey bilateral relations;
- Explain Ethiopia-Turkey bilateral relations in terms of economic indicators;
- Identify the emerging political interests and cooperation within the realm of bilateral relations;
- Study social interactions of the two nations; and
- Identify the ways for the betterment of bilateral relations.

1.5. Research Questions

1.5.1. General Research Question

What economic, political and social dynamics can explain the existing and emerging bilateral developments in Ethiopia-Turkey relations?

1.5.2. Specific Research Questions

- Which historical and/or contemporary international and domestic factors have been influencing the relations between the two states?
- What are the economic relations between Ethiopia and Turkey?
- What are the existing or newly emerging political interests in the foreign policy goals of the two countries?
- With what socio-cultural indicators would the bilateral relations be explained?
- How do the bilateral relations benefit each state?

1.6. Methodology and Methods of the study

1.6.1. Methodology

The study employs a qualitative research approach. If a concept or phenomenon needs to be understood because little research has been done on it, then it merits a qualitative approach. This type of approach may be needed because the topic has never been addressed with a cer-

tain sample or group of people, or existing theories do not apply with the particular sample or group under study (Creswell, 2005). Qualitative inquiry helps to explore “the understandings, experiences and imaginings of our research participants, the ways that social processes, institution, discourse and relationship work and the significance of meanings that they generate” (Mason, 2002). Accordingly, the study is conducted through analysis of relevant literature, perceptions and interpretations of various policy outputs and agreements. This is because what relevant actors perceive and say about would help to identify the social, political and economic interactions of the two nations more truthfully.

1.6.2. Methods of the Study

To conduct the study both secondary and primary sources of information are accessed. The secondary data sources employed for purpose of this study includes relevant books, bilateral and multilateral agreements, policy documents, official reports, journals, articles, official websites and a variety of publications and magazines that report about the topic. On the other hand, the primary sources of information for this study are Key Informants from relevant offices and participants of various bilateral meetings and forums relevant to the study. From Ethiopia, Turkey Desk Officer and Director General of European affairs at Ministry of Foreign Affairs, Senior Investment Promotion Officer of Ethiopian Investment Commission, and Senior Bilateral Trade Officer of the Ministry of Trade will be the key informants of the study. From Turkey side, Turkish Ambassador and/or senior diplomats to Ethiopia, Director of Turkish International Cooperation Agency (TIKA), Chairman of Turkish Confederations of Businesspersons (TUSKON), Manager of Nejashi Ethio-Turkish International Schools, Commercial Counsellor of Turkish Commercial Office in A.A and other relevant people working in various Turkish institutions operating in Ethiopia have been primary sources of information for the study.

Content analysis and Key Informant Interviews methods are widely employed to gather information from various sources. Content analysis is employed as the main instrument of data collection from the secondary sources. Content analysis has the advantage of providing a systematic examination of documents such as government publications (Babbie, 1973:34). Key Informant Interviews, with open-ended questions are widely employed to access detailed information from the key informants involved in the study.

1.7. Study Area

This research is all about Ethiopia and Turkey relations. Thus, a brief description of the two countries is important. Geographically, Ethiopia is a land locked country located in the Horn of Africa. Since 1991, Ethiopia is a federal state with nine regional states and two self-administering cities. Politically, the government is parliamentary type and is composed of two houses: House of Federation and House of Peoples Representatives (HPR). Prime minister, the head of government, is elected from the party that wins majority in a general election conducted every five years. The current ruling party, the Ethiopian People's Revolutionary Democratic Front (EPRDF) has governed Ethiopia since 1991.

In 2014, with total population size of 96.51 Million, the country is the second most populous one in Africa (World Bank, 2014). The country is multi ethnic comprising more than eighty distinct ethnic groups. The major ethnic groups are Oromo: (34.5%), Amhara (26.9%), Somalie (6.2%), Tigrai (6.1%) Sidama 4%, Gurage 2.5%, Welaita 2.3%, Hadiya 1.7%, Afar (1.7%), Gamo 1.5%, Gedeo 1.3%, and others 11.3%. The dominant religions of the country are Ethiopian Orthodox 43.5%, Islam 33.9%, Protestant 18.6%, traditional 2.6%, Catholic 0.7%, and others 0.7% (Central Statics Agency of Ethiopia (CSA), 2010).

Economically, Ethiopia is one of the world's poorest countries. The country's per capita income of \$470 is substantially lower than the regional average (Gross National Income, Atlas Method). Despite this, the economy has experienced strong and broad based growth over the past decade, averaging 10.8% per year in 2003/04 - 2012/13 compared to the regional average of 5.3%. Expansion of the services and agricultural sectors account for most of this growth, while manufacturing sector performance was relatively modest. Private consumption and public investment explain demand side growth with the latter assuming an increasingly important role in recent years (World Bank, 2015).

The Treaty of Lausanne established modern Turkey in July 1923. Turkey is a transcontinental country and shares borders with eight countries: Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Iran, Iraq and Syria. It borders the Black Sea to the north, the Aegean Sea to the west and the Mediterranean partially to the south. With a total population of 81,619,392, Turkey is the 18th most populous country in the world (World Bank, 2014). The major ethnic groups are Turks (70-75%) and 18% are Kurds. The remaining 7-12% includes Armenians, Greeks, Jews and others. Approximately 99% of the population is Muslim. Most Turkish Muslims

follow the Sunni traditions of Islam, although a significant number follow Alevi and Shiite traditions (CIA fact book, 2014).

Politically, Turkey is a parliamentary democracy. Turkey's 1982 constitution sets out the main principles of government and establishes Turkey as a unitary centralized state. The President of the Republic is the head of state and has a largely ceremonial role. The president is elected for a five-year term by a direct election and Recep Tayyip Erdoğan is the first President elected by direct voting. By reorganizing political structure consistent with a stronger president, Erdogan has changed Turkey's political system from a parliamentary to a *defacto* semi-presidential one. Economically, Turkey is one of the largest middle-income partners of the World Bank Group (WBG). With a Gross Domestic Product (GDP) of \$786 billion, Turkey is the 18th largest economy in the world (WB, 2015). Turkey has been rapidly growing during last decade.

1.8. Scope of the Study

Ethiopia-Turkey bi-lateral relations constitute wider areas of interaction for a longer period. It ranges from pre-modern people contacts to official diplomatic relations. However, this study, in terms of content, addresses issues of bilateral economic, social and political connections that fall within official relations of Ethiopia and Turkey.

On the other hand, in terms of time this study selectively focuses on the post-cold war developments. Special attention is given to post 2002 period where the foreign policy of two states was consolidated. This is because the current phase of Ethiopia-Turkey relations is a manifestation of the political change that took place in Turkey after that specified year and subsequent reorientation of foreign policy thereafter. On the Ethiopian side also the current foreign policy strategies that significantly influence the bi-lateral relations was formulated at about the same time

1.9. Significance of the Study

This research may help policy makers in the Ministry of Foreign Affairs as an input to identify the gaps in the foreign policy so that they could give better attention to emerging issues. In addition, it will help the stakeholders in the field of Ethiopia-Turkey bilateral relations to understand the matrix of the relations and respond accordingly. In addition, this study can initiate researchers to further study by indicating gaps in area of bilateral relations of Turkey and Ethiopia. Finally, the study will also contribute to enrich literatures in the field.

1.10. Limitations of the Study

This study is conducted under certain but passable challenges and constraints that form the limitations in one way or the other. One of the major limitations is financial constraint. Blockade of research fund for self-sponsored students by the University has significantly contributed for shortage of research finance. This creates a challenge to access some of the important information particularly from primary sources. A logical consequence of financial constraints is lack of access to few literatures. Particularly there are also shortages of printed resources on contemporary history of Ethiopia-Turkey relations.

Lack of adequate logistics that would help to conduct the research has also limited the study. There are various logistics required from beginning to the end of research. These among others include, recording devices and data analysis tools. Difficulties of access to these necessary tools pose some constraints to utilize maximum potential in the study. Key Informant Interviews also require more time and financial back up.

1.11. Organization of the Thesis

The study is divided into seven chapters. The introductory chapter encompasses background, problem statement, objectives, research questions, methodology, scope, limitation, significance and organization of the study. The second chapter covers review of literature. The chapter assesses the pertinent literatures theoretical and conceptual perspectives that appropriately explain contemporary Ethiopia-Turkey relations.

The third chapter deals with contexts and indicators of the bilateral relations which includes historical relations, globalization, domestic and external foreign policy environments. The Fourth chapter is devoted to economic relations of Ethiopia and Turkey, which encompasses Trade, Foreign Direct Investment and development cooperation. The political relations of the two countries, which include bilateral, regional and global diplomacy, and military cooperation, will be covered under the fifth chapter. The sixth chapter is devoted to social relations such as education, health, mass media, tourism and science and technology. Finally, based on research findings a conclusion will be presented under seventh chapter.

Chapter Two

Review of Literature

2.1. Introduction

Ethiopia has multi-lateral historical contacts with Middle Eastern countries since ancient times. In it, Ethiopia-Turkey relations mark one of the earliest bi-lateral links. Historically, relations between Ethiopia and Turkey date back to the sixteenth century. Since then, the bi-lateral relations between the two countries have passed through complex dimensions and multiple stages.

Both changes in domestic and international environments are obviously prominent in shaping and changing the scope and depth of their relations. The current phase of relations between the two nations has developed out of such important changes at domestic and global levels.

Today the bilateral relations between the two countries encompass several elements. In this era of globalization, the diplomatic relations between Ethiopia and Turkey have reached a higher stage, though not without challenges. Studying bilateral relations in the era of globalization is perhaps one of the most interesting and appropriate approaches to understand dynamics of international relations.

However, there is only limited literature on the areas of Ethiopia-Turkey relations. For the purpose of this study, these literatures are divided into two main categories, namely, general and bilateral. The classification is made according to relevance of the literatures to the study. Under the first category, sources that discuss about Turkey's relations with sub-Sahara in general and the Horn of Africa in particular will be assessed. The second category mainly reviews sources that discuss about direct bilateral relations between Ethiopia and Turkey.

After reviewing literature, discussion on theoretical framework will be presented. Ethiopia-Turkey bilateral relations are seen through the lenses of Neo-liberalism and Constructivism.

2.2. Sub-Sahara-Africa-Turkey Relations

Some Sub Saharan African countries had historical relations with Ottoman past. Ethiopia is one country, which had been under influence of Ottoman Empire. However, the persistent negative image of Sub Saharan Africa did not change until the recent work of both the AKP government and civil society organizations. Prior to that period Sub-Saharan Africa as a geo-

graphical area has always been considered as a faraway land, full of problems, hunger, disease and civil wars (Ozkan, 2012: 115).

It is important to note here that when Turkish Prime Minister Recep Tayyip Erdogan visited Ethiopia and South Africa in March 2005, being the first prime minister visiting officially a state below the equator, many Turkish columnists, retired diplomats and the mainstream media raised critical voices about wasting Turkey's limited energy in vain (ibid). However, such a conception of Sub-Saharan Africa seems to be changing with the works of government and civil society organizations in the last few years.

Since the end of Cold War Turkey's relations with Sub Sahara African countries has been increasing. Indeed, Ankara's first interest in developing serious relations with Africa dates back to 1998; however, this has become more evident only after the Justice and Development Party (*Adalet ve Kalkınma Partisi*, AKP) assumed power in 2002 (Ozkan, 2008).

After 1998, with the acceptance of the World Bank's Africa Action plan, there has been a revival in Turkey's interest in Africa. Initially, this occurred passively; after 2005, however, it became a deeper interest in developing relations with Africa (Ozkan, 2010). Their relations comprise several areas, such as developing diplomatic relations, and fostering political, economic and cultural cooperation

Moreover, Turkey's relations with Sub Sahara African countries were speeded up after the former proclaimed the policy of 'Opening to Africa' in 2005. The new African policy marks reorientation of Turkey's foreign policy towards Africa in general and its relations with Sub Saharan Africa in particular.

Turkey's emerging interests in Sub Sahara Africa are in the areas of economic, military and humanitarian affairs (Beseny, 2012). In this regard, three Turkish international organizations namely, Confederation of Businessmen and Industrialists of Turkey (TUSKON), The Foundation for Human Rights and Freedoms and Humanitarian Relief (IHH) and Turkish International Development Cooperation Agency (TIKA) played the most important roles in gaining prominence for Turkey in the region.

Turkey had established good economic ties with most countries of the Sub Saharan Africa. Particularly trade has been dramatically increasing. In 2009, Turkey had signed an agreement with Sudan regarding free trade and tourism. Investments were also parts of Turkey's economic interest in some countries. In the past few years, the Turkish investors started to dis-

cover the markets of Guinea, Burkina Faso, Ethiopia, Benin, Malawi, Angola, and Central African Republic (ibid).

Turkey military/security interests in Sub Sahara Africa include fighting piracy in Red Sea region, maintaining stability in and beyond the Red Sea region such as Somalia and Sudan. Turkish government tried to workout general peace all over Somalia. Beside its security interest, Sub Saharan Africa is the destination for military market of some Turkish companies (Beseny, 2012).

Regarding humanitarian aids, Turkey Red Crescent has started to support the migrants and refugees of Somalia. Besides food supply, a logistical service centre has also been established in order to be more efficient. Apart from Somalia, the Turkish department of Red Crescent has been involved the similar problems of Sudan, Mauritania and Ethiopia. These countries received more than half of the total humanitarian aids provided by Turkey by the above-mentioned countries.

In all above engagements, Turkish international organizations have played significant roles. After the proclamation of the Africa plan, two NGO's are the main organizers of the whole program, the TUSKON and the IHH. In 2006, TUSKON organized a 'Turkish-African Trading Bridge', a huge campaign facilitating the meeting of all the possible economic actors who are interested in bilateral relations. IHH has a more complex and extensive activity. Among their priorities are humanitarian campaigns, and cultural and educational developments. Now TIKA has over twenty offices in all over the world, from which three are for the African continent: Ethiopia (2005), Sudan (2006) and Senegal (2007).

To summarize, the Sub-Saharan region is clearly a focal point for the Turkish foreign policy. The Turkish-African negotiations have not been focusing on diplomacy related questions alone but also on economic, trade, cultural and humanitarian aspects. This co-operation is clearly beneficial for both.

Similarly, business and civil society organizations are influencing Turkish foreign policy implementation in Sub-Sahara Africa (İpek and Biltekin, 2013). In the age of globalization and increasing interconnectedness, foreign policy is no longer about solely a domain of state activity and increasingly involves non-state actors. Therefore, looking at the implementation of foreign policy requires a relational approach, embedded in a globalization perspective.

Turkish foreign policy towards sub-Saharan Africa has been implemented with varying degrees and types of cooperation with non-state entities in a multitude of spheres. In fact, non-state actors of Turkey interact with Sub-Saharan African governments in three ways. These are Cooperative interaction, Complementary interaction and Supplementary interaction.

Cooperative interaction occurs when non-state and state actors directly cooperate in order to achieve a common goal. Although underlying motivations may vary for each actor, their actions are congruent, i.e., they are in agreement about what needs to be done. In complementary interaction, actors have different goals. They do not actually work on the same project, but coordinate their activities. The spheres of action mostly comprise trade, investment, and transportation. The third category is supplementary interaction, where non-state actors take on most of the responsibilities. There is a minimal involvement of State Based Actors (SBA) and their control over outcomes. The spheres of action are providing humanitarian/developmental aid, establishing mechanisms of intercultural exchange, as well as promoting private interests.

Briefly, there are the general frameworks of Turkey's relations with regard to Sub Sahara Africa. Despite its generality, there are significant portions from the above literatures that mention Ethiopia-Turkey relations. Thus, there are some literatures available for review. This is important particularly for a study such as this one, where intellectual resources are scarce.

2.3. An Over view of Ethiopia-Turkey Relations

Under this section, literature that specifically deals with the bilateral relations between Ethiopia and Turkey are assessed. The first two works are on historical relations, while the remaining ones are on contemporary relations.

According to Mordichai, (1980) relations between Ethiopian and Ottoman empires started centuries ago. The two states had conducted commercial exchanges as late as first decade of 16th century. In addition, the increasing demand for coffee in the markets of Muslim countries provided another incentive to commerce (Ibid: 122). This shows the importance of coffee trade as a major factor that sustained the relations between the two political communities. Accordingly, economic motives not only added momentum to political and strategic goals of ottoman but also remained part of it.

Eric Haggai (1994), in a book titled 'Ethiopia and the Middle East', thoroughly discussed about historical relations between Ethiopia and Turkey. This work covers a range of interest-

ing issues that fall within historical relations of five hundred years from sixteenth to twentieth century.

According to Haggai (1994:29), the coming of Ottoman Turkey to Ethiopia during early years of 16th century was the consequence of a competition between the former and the Portuguese. The sources of competition were economic and strategic interests to control the Red Sea region, which remained as the important trade route to Far East during that time.

The first phase of Ethiopia's engagement with Ottoman Turkey, which lasted for almost four centuries, had considerable implications for both nations. For the Ethiopian side, it significantly reduced the European, specifically Portuguese, influence in the country. The engagement helped Ottomans to control Red sea trade route, which enabled them to maintain hegemony until later decades of the nineteenth century. The Ottomans guarded the gateway of Ethiopia, controlled the Red Sea, which continued the isolation of the later from Europe (Haggai, 1994: 38). In return, it opened commercial and trade activities between Ottoman and Ethiopia. Briefly, Erlic Haggai in 'Ethiopia and Middle East' provided a lively account of historical relations between Ethiopia and Turkey.

The above literatures are specific on historical relations between Ethiopia and Turkey. Since the scope of this study is post-Cold War relations of the two countries the following works are more relevant for the study.

Foreign Affairs, National Security Policy, and Strategy of Ethiopia stipulate foundations and directions of contemporary Ethiopia-Turkey relations (MFA, 2002). The Policy document is the first of its kind since Ethiopian People's Revolutionary Democratic Front (EPRDF) formed government in 1991. It incorporates the rationale, bases and objectives of external relations of Ethiopia. Besides, the policy Handbook explains about some of the selected bilateral relations that the country aspires to establish. Ethiopia-Turkey relations are one of the few bilateral relations that the policy document addresses separately.

With regard to Ethiopia-Turkey relations, the document provides a clear picture of the foreign policy direction and orientation. The document generally discusses the significance of having cordial relations with Turkey. According to the document, the relatively advanced economy and democratic experience of Turkey are some of the factors that explain why Ethiopia needs to establish bilateral relations with Turkey. 'Given the high market potential and rapid economic growth, Ethiopia should implement a foreign policy that focuses on economic and fos-

tering strong ties with Turkey' (MFA, 2002:136). The policy document also identifies Turkey's strategic significance that emerges from its proximity to Middle East and Europe.

In addition, Ethiopia wants to share Turkey's experience of equitable water utilization and opposition to religious extremism. Turkey, like Ethiopia, has water resources shared by other countries. Forty percent of Turkey's water resources are trans-boundary. Ethiopia has at least four trans-boundary water resources. Both countries belong to upper stream category to their respective water resources. Since Turkey has better experience in utilizing its water resources, there are lessons that Ethiopia wants to share so that it could apply it in its trans-boundary water management. This experience is particularly important given the fact that Ethiopia has started building large dams on its major trans-boundary rivers. The ongoing construction of Great Ethiopian Renaissance Dam (GERD) on Nile (Abbay) river is a case in point.

Turkey has the long experience of building a secular state since 1923. In Ethiopia, secular state was established by the Constitution of 1995. Unlike Ethiopia, which is characterized by religious diversity, Turkey is a dominantly Muslim country. Yet, issues of secularism play a significant role in the domestic politics of both countries. In Ethiopia, there are debates relative to religious extremism in the past few years. With regard to this, sharing Turkey's experience might help Ethiopia in building a secular state and reducing religious extremism.

Compared to political and social relations, economic aspects dominate the aspirations of Ethiopia-Turkey bilateral relations. The policy document clearly stipulates:

Turkey is a country not far from us, with a large market that recently experienced rich economic development. It represents in some areas a source of investment and technical assistance. Noting this and taking into account its favourable disposition towards Ethiopia, it is essential that we draft and implement a policy toward Turkey that focuses on the economy and aims at fostering strong ties. Economic diplomacy should focus on inviting Turkish investors to Ethiopia, the promotion of our products and facilitating the establishment of firm contacts between the Ethiopian and Turkish business community (MFA, 2002:136-37)

From the above policy assertion, two points are clear; Firstly, Ethiopia seeks to get foreign investment and technical assistance from Turkey. In return, Ethiopia targets at trade and in-

vestment promotion towards Turkey. Secondly, the main means to ensure these economic ambitions of foreign policy is economic diplomacy. The need to involve non-state actors mainly the business community is also recognized.

The document further discusses what to be done to in order to ensure economic cooperation of the two countries:

We should strive to intensify diplomatic and political relations and seek technical assistance in some areas. We should consider the fact that our relations with Turkey have the potential for major growth, but have not been given adequate attention so far (ibid: 137).

Since Foreign Affairs Policy serves only as a guideline to establish bilateral relations, it does not assess challenges and opportunities underlying its implementation. Of course, such analysis technically lies beyond scope of any policy framework. Despite this, the policy handbook provides first-hand information on the objectives, directions and strategies of current foreign policy with respect to Turkey, other states and institutions.

In analysing bilateral relations, comparative studies are also important. With regard to Ethiopia and Turkey, Paul Henze (2005) comparatively discusses similarities between Ethiopia and Turkey in terms of geography, resource endowment, demography and past political history. Through comparative analysis, the author draws lessons that the former would share from the latter.

Turkey and Ethiopia have many things in common. Both have complex geography but lack major wealth in minerals and oil. Both have populations of mixed origins with great natural talents. Both have suffered strife and political turmoil. Both endured foreign invasions and still have several unstable and aggressive neighbours. In both countries, modern times brought a strong desire for education and development, first among elites, then among the population at large. Pressures for development intensified steadily as the 20th century advanced (Henze, 2005).

Even though the countries have similar historical past, presently they are at different and perhaps far apart economic development level. Turkey has succeeded in achieving rapid economic development and currently stood eighteenth , according to 2013 World Bank economic ranking¹. Even though Ethiopia is one of the poorest countries of the world, it is recently achieving rapid economic development. Ethiopian Real GDP continued to grow on average

by 10.9 percent in the past decade (2003/04-2012/13) (National Bank of Ethiopia (NBE), 2013:1).

Therefore, Ethiopia can benefit from sharing development and democracy experiences of Turkey. More specifically, education, open democracy, investment in key infrastructure and agro-industry, exploitation of water resources are potential areas of Ethiopia-Turkey cooperation (Henze, 2005).

Ethiopia will benefit from sharing Turkey's experience of democratization, which promotes compromise on important issues and permits timely adjustment of policies and procedures, thus avoiding crises and prolonged failed initiatives. Thus, Ethiopia should follow Turkey in building democratic political system for successful development. Besides, education at all levels is essential for sound political and economic development. Ethiopian leaders have long understood this fact, hence efforts need to be maintained and speeded up (ibid).

Investment in key aspects of infrastructure is a prerequisite for development: highways, feeder roads, communications of all kinds, dams and water systems, power lines, urban infrastructure. This principle is understood in Ethiopia. Turkey's experience in encouraging local initiative and use of local resources is relevant for Ethiopia, and demonstrates that development momentum should never be only from the top down. Development of agro-industry as a basis for broader industrial development and as a means of raising productivity and the standard of living of the rural population is highly desirable. Efficient agro-industry can make a major contribution to exports. Turkey's experience with agro-industry offers a great deal from which Ethiopia can learn (ibid).

An open economy operating on free market principles must offer opportunities to the primary producers in society of farmers to increase their productivity and benefit from it

Turkey's experience with exploitation of water resources for both power and irrigation offers examples for expanded and more efficient use of water in Ethiopia. Turkey's experience in developing tourism is worth studying for both the positive features of development and avoidance of less-positive problems with subsidies and restrictions.

Given Ethiopia's location, the kind of success Turkey, located on the threshold of Europe, has achieved in tourism is not possible, but Ethiopia can surely make tourism a greater contributor to its foreign exchange earnings and gain, many other advantages from development of a sound tourism industry.

Currently some of the Henz's recommendations are part of policy priority of Ethiopia-Turkey relations. However, the extent to which Ethiopia is utilizing these opportunities is yet to be studied. One of the objectives of this study is to assess how much Ethiopia is exhaustively exploiting opportunities of partnership with Turkey.

In 2012, David Shin produced a summary of Turkey's relations with countries of Horn of Africa. Within that, ambassador Shin discussed about Turkey's relation with Ethiopia. According to Shin, Ethiopia is a country, which has longest relations with Turkey. The literature emphasizes diplomatic relations between the two countries. It mentioned mutual visits by leaders of both countries during imperial period and EPRDF. In addition, the author stressed the increasing volume of export as sign of strong trade relations between Ethiopia and Turkey. In 2013, the size of Ethiopian import from Turkey totalled 175m USD (David Shin, 2012). This makes Ethiopia the second (after Sudan) largest trade collaborate of Turkey from Horn countries. In addition to trade, FDI inflow to Ethiopia was increasing. Textiles, construction, leather, furniture, agro-processing, and water well drilling are some of the major activities that attracted investors from Turkey.

The two countries also signed numerous Memorandums of Understanding's (MoUs) and Turkey is interested in free trade agreements. The author also mentioned military training and mutual political consultations as important part of Ethiopia and Turkey relations. Despite lack of details, the literature conveys key information about the bilateral relations

In general, a few relevant literatures have been available in the field of this study. Besides, those literatures that focus on general framework are also important. This is because the wider literatures not only broaden the scope of review but also help to relieve the study from resource dryness but also help to access important information that otherwise would not be collected. Thus, both categories of literatures remain highly significant as secondary sources of this study.

2.4. Theoretical Perspectives

Theories of International relations mainly help to explain the nature of international system and behaviours of actors that interact within it. Accordingly, Ethiopia-Turkey relations can be explained with three theories of international relations; liberalism, realism and constructivism.

2.4.1. Neo Liberalism

Liberalism as the theory of International Relations explains how and why different actors conduct relations among each other. It is based on the assumption that there are multiple channels of access between societies, different branches of the state apparatus as well as non-state actors (Brown and Ainley, 2005: 35). This assumption rightly explains Ethiopia-Turkey relations, which involves both state and non-state actors. Respective embassies in Addis Ababa and Ankara, Ethiopian and Turkish Airlines, various Turkish business firms operating are some of the channels of access between the two nations.

Neo liberals assume that states are essentially concerned with the absolute gains made from cooperation; as long as they are happy with their own situation, they will not be too worried about how well other states are doing. There is a clear parallel with liberal trade theory, where the fact that parties will gain unequally from trade that reflects comparative advantage is deemed less important than the fact that they will all gain something. Ethiopia is a trade partner of Turkey despite unequal gain from the exchange. This implies Ethiopia is concerned about importance of its trade with Turkey but not emphasizing to earn equal or more gain.

Liberals view the interests of states as multiple and changing both self-interested and other regarding. Mutuality of interests will grow with increased interdependence and the spread of democratic values; states and other actors will be better able to understand their common interests with improved knowledge and communications. The Opening of Embassies in Addis Ababa and Ankara respectively, by respective states, had played crucial role in facilitating communications between the two countries.

Liberals believe that human and state interests are shaped by a wide variety of domestic and international conditions. Ultimately, they are determined by bargaining power among interest groups, but a host of factors affects these groups' definitions of their interests. At the domestic level, they include the nature of the economic and political systems, economic interactions, and personal values (ibid). The above premises hold true for both Ethiopia and Turkey. Even though with varying degree, Ethiopia and Turkey follow free market economic system.

At international level, there are technological capabilities that allow states to affect each other in different ways, patterns of interactions and interdependencies, transnational sociological patterns, knowledge and international institutions. The predominant collective actors-states are embedded in both their own societies and the international system, and their interests and

policies are affected by conditions in both arenas (ibid). Compared to Ethiopia, Turkey is better off in technological capabilities; hence, the factors favor for more returns than Ethiopia

Liberalists are staunch proponents of free trade. According to this theory, free trade would also break down the divisions between states and unite individuals everywhere in one community. Free trade would expand the range of contacts and levels of understanding between the peoples of the world, which would foster understanding between peoples and reduce conflict. Economic self-interest would then be a powerful disincentive for war (Burchil, 2005). For liberalism, free trade serves not only as economic exchange, it further creates conducive environment for greater interactions among societies of the world.

2.4.2. Constructivism

Constructivism is a theory of international relations, which is based on two main assumptions. The first assumption is that fundamental structure of international relations is socially constructed. The second is that changing the way we think about international relations can help bring about greater international security. Social structures are made of elements such as shared knowledge, material resources and practices. This means that social structures are partly defined by shared understandings, expectations and knowledge (Baylis, 2003). Normative and ideational structures shape actors' identities and interests through imagination, communication and constraint. With regard to the first of these, constructivists argue that non-material structures affect what actors see as the realm of possibility: how they think they should act what the perceived limitations on their actions are and what strategies they can imagine to achieve their objectives. Institutionalized norms and ideas thus condition what actors consider necessary and possible, in both practical and ethical terms (Donnelly et.al 2005).

According to constructivist thinking, states have identity, which is detrimental to its interaction with others. The identity of the state implies its preferences and consequent actions. A state understands others according to the identity it attributes to them, while simultaneously reproducing its own identity through daily social practice. Understanding how actors develop their interests is crucial to explaining a wide range of international political phenomenon. To explain interest formation, constructivists focus on the social identities of individuals or states. This is because 'Identities are the bases of interests' (Wendt 1992: 398). States actions in the foreign policy realm are constrained and empowered by prevailing social practices at home and abroad. States develop their relations with, and understandings of the others through the media of norms and practices.

Perhaps because of their interest in beliefs and ideology, Constructivism has also emphasized the role of non-State actors more than other approaches. For example, scholars have noted the role of transnational actors like NGOs or transnational corporations in altering State beliefs about issues like the use of land mines in war or international trade. Such 'norm entrepreneurs' are able to influence State behaviour through rhetoric or other forms of lobbying, persuasion, and shaming (Keck and Sikkink, 1998).

Constructivism as theory of international relations explains the current Ethiopia-Turkey relations. The bilateral relations between the two countries are under influence of social practices. Both domestic and international social practices are detrimental to relations of the two countries. In Ethiopia a new social practices is under way since 1991 and resulted in formation of ethnic based federalism under FDRE. In the post 1991 Ethiopia, various social, economic and political transformations are taking place.

Federalism, free market, secularism, democratization and agrarian economy are some of the features that explain contemporary Ethiopia. This mean identity of Ethiopia is built along these features. This social structure at home shaped formation of external relations including the bilateral relations with Turkey The emphasis on non-material resources is also important. Perceptions and imagination play great role in Ethiopia-Turkey relations. The perceptions that Turkey is secular, democratic, and free market country is what attracted Ethiopia to establish relations with the former. In addition, Ethiopia aspires to benefit from Turkey's strategic location within Middle East and its large market.

In terms of Security Ethiopia believes that 'Turkey would not pose any problem to its sovereignty and territorial integrity and thus, the former do not see any obstacle to developing good relations between the two countries' FDRE,MFA, (2002:136). Such perceptions are the bases for the present cordial relations between the two countries. The present cordial relations are sustained partly because of changes in Turkey's perception of Africa since last two decades. Constructivism also helps us to explain the increasing role of non-state actors. As mentioned earlier business communities, NGOs and institutions are playing significant role in shaping and influencing Ethiopia-Turkey bilateral relations.

2.4.3. Neo Realism

Neorealism is theory of international relations that emphasizes power of state. The theory holds that state is a unitary rational actor in international relations. That is, states are single independent entities that interact in international system. States are sovereign and no supra

authority exist above state. For realism, states selfishly pursue their national interest against other states. National interests of states are directed towards power maximization. Power in turn, determines what states gain from conducting external relations.

There are only relative gains in state-to-state interactions. States as rational actors are worried about what it gains and/or losses in its relations with others. The relativity of power requires states to 'be more concerned with relative strength than with absolute advantage' (Waltz 1979: 106) That mean, states make cost benefit analysis of their relations and will only pursue their relations if the output is favorable for them. Nevertheless, in any way there are only relative gains, no absolute gains in state-centric international relations of realist worldview.

On the other hand, (neo) realists characterize international system as anarchic where states are ordered according to their capability. Hierarchy and anarchy are the two principal political ordering principles. Hierarchy entails relations of super- and subordination among a system's parts and that implies their differentiation' (Waltz, 1979: 93) the anarchic nature of international relations leaves states unsecured. Therefore, states must rely on their power to minimize security dilemma caused by anarchic nature of international relations (Donnelley, 2000:17). Absence of 'world government' to enforce rules of game forces state to rely on their capability in dealing with others.

Some of realist assumptions discussed above, holds true for explaining Ethiopia-Turkey bilateral relations. The assumption that states are unitary actors mainly describes historical relations of the country. Until recently, Ethiopia and Turkey's relations were only state-to-state. Historically the two countries did not involve non-state actors and thus based on realist assumption of 'unitary actor'.

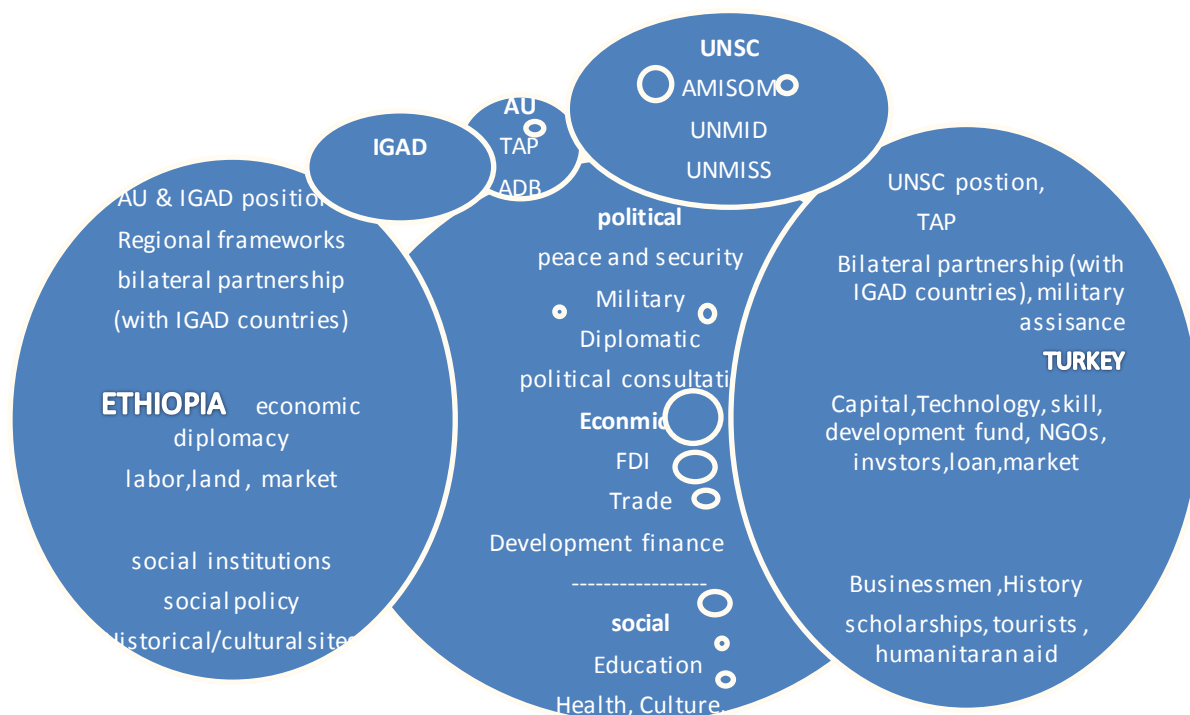
The other argument of realism that emphasizes power difference as determinant of what states gain in relation with others is correct as asymmetric nature of Ethiopia and Turkey is concerned. Turkey has established many institutions and business firms in Ethiopia. Turkey gains more from trade with Ethiopia. Politically, Turkey is increasing its influence in horn of Africa. However, Ethiopia hardly poses political or economic influence in the Turkey or its neighbor. These differences arise from power difference between Ethiopia and Turkey. Turkey, which is more powerful at least economically than Ethiopia, is relatively gaining more from bilateral relations. The '*power-difference*' argument of realist- more power more gain can be rightly claimed here.

In nutshell, realism correctly explains some features of Ethiopia-Turkey relations. Among others, security based historical relations, difference in trade balance and varying degree of influence within and outside respective regions is better explained with arguments of realism.

2.5. Conceptual Perspective

This subsection discusses conceptual framework of Ethiopia-Turkey relations based on reviewed literature and theories. Accordingly, the bilateral relations are presented in *ven* diagram depicted below.

Figure 2.1 Conceptual Perspective of Ethiopia-Turkey Multiple relations



The above framework shows the matrix of Contemporary (post Millennium) economic, political and social relations between Ethiopia and Turkey. The far left and right (country circles) represent Ethiopia and Turkey, respectively. The middle circle (bilateral Interaction area) depicts bilateral relations between the two countries. Economic, political and social relations are written in bold within the bilateral interaction area. Under each sphere of interaction, (economic, political and social) elements that constitute the interaction are listed. Accordingly Ethiopia-Turkey economic relations mainly constitute FDI, trade and development finance. Bilateral political consultations, diplomatic contacts, military cooperation and regional peace

and security altogether make up political relations. Social relations includes education, health, cultural contacts, science and media

The small circles before and after variables of relations indicate institutions that represent that specific element of the relations. The sizes of the circles represent the relative (strength) of that element within bilateral relations. For instance, under economic relations the circle in front of FDI is bigger than that of trade, which implies institutions that represent the former are larger than that represent the latter. Similarly, under social relations institutions that represent education are larger than that of culture and media.

Direction of the circles indicates the country that the variable belongs. In other words, if the circle is depicted to the left of the text, it belongs to Ethiopia and if it is to the right of the text, it belongs to Turkey. In the above picture, the two circles (behind and front) of the 'diplomatic' means both Ethiopia and Turkey have diplomatic institutions that represent political relations of the two countries. On the other hand, circles in front of FDI and development finance indicate Ethiopia to be receiver of these economic elements of bilateral relations.

Texts written in the country circles represent tools and resources that each country uses in the economic, political and social interactions. To make it clear, in economic relations Ethiopia uses tools of economic diplomacy such as, land, labor, market, business and opportunities to get access to Turkey's capital, technology, skill and development fund in form of FDI, loan, development assistance, aid or export market.

The three circles overhead of country circles imply areas of common interest outside the bilateral relations. As shown in the picture Ethiopia and Turkey have indirect political interactions in IGAD, AU and UN. The issues of the interactions with respect to the three institutions are shown by texts written within the circles that represent the institutions. Accordingly, Ethiopia and Turkey interact in AMISOM, UNMID and UNMISS which under auspices of UNSC. TAP represent one forum of interaction between Ethiopia and Turkey at AU level. Turkey and Ethiopia also have political interactions through IGAD.

In short, the above conceptual framework shows the nature and elements of Ethiopia-Turkey relations at bilateral, regional and global level. Moreover, the framework clarifies tools and resources that each country employs to achieve their respective economic, political and social goals by engaging in bilateral relations.

Chapter Three

Contextual Indicators of Ethiopia-Turkey Relations

3.1. Introduction

Every social and political event happens under certain historical process. Prior to describing a phenomenon that can occur at a specific time, the historical context that defines it should be studied first. Accordingly, the historical relations between Ethiopia and Turkey are reviewed to provide a brief historical background to the discussions of contemporary bilateral relations. Then, contemporary contextual indicators of Ethiopia-Turkey bilateral relations are discussed. For purpose of understanding, contextual indicators of this study are divided into two main categories: general and bilateral. General indicators in turn are subdivided into internal and external.

Externally, globalization is the major force that influences and shapes many of the social, economic and political developments of the present era. Globalization is perhaps the single driving force of post-cold war international relations. With this understanding in mind, globalization is for-granted factor that shaped post-cold war Ethiopia-Turkey bilateral relations.

On the other hand, there are domestic factors that internally influence the conduct of external relations. These factors are obviously the output of social, economic and political developments that take place within a country. For the purpose of this study, the internal contexts are classified into two major policy realms. The first one is the domestic policy that includes all those guiding principles that emerge from and focus on internal processes of the state. The second is foreign policy and it links domestic and external environment. Foreign policy is a domestic factor that targets external environment. Thus, foreign policy shapes how external and internal factors are related to each other. These elements are discussed in some detail in the chapter.

3.2. Ethiopia-Turkey Historical Relations

Ethiopia and Turkey had historical relations of last five centuries. However, their relations have not been on the same level throughout its history. It has been cordial at times and deteriorated at another. In order to understand the trends of such long historical relations periodization is important. Thus, Ethiopia-Turkey historical relations is divided under two phases. The first phase covers periods from sixteenth to nineteenth century. The second phase deals with relations during twentieth century.

3.2.1. Ethiopia-Turkey (Ottoman) relations until 19th century

Turkish relations with Africa, especially with Ethiopia, are very old. Ethiopians and Turks have known each other since the 16th century (Today's Zaman, 2007). Specifically, the second quarter of sixteenth century marks the earliest active contact between Ethiopia and Turkey. This was a time where a civil war in Ethiopia, and competition to capture red sea attracted the then super powers: Ottoman and Portuguese empires.

Because of this rivalry, Ottomans emerged in Red Sea region before Portuguese just during beginning of the 16th Century. Conducive environment awaited Ottomans to get involved in internal politics of Ethiopia. That was a time of Civil war between Ahmad Ibrahim Alghazi-locally known as Ahmad Grag and Christian Highland Kingdom. Thus, ottoman intervened by supporting Ahmad Grag Who latter on championed in establishing Islamic State, though short lived. Grag employed newly introduced cannon and firearms in battle against Christian kingdom. The Ottomans, the emerging great power of Islam, had brought them to Arabia.

By the time, Grag was launching war against Christian Highland Kingdom, the ottomans where already the masters of the Middle East (ibid: 31). Many historians including the author of 'Ethiopia and Middle East' describe the event as aggression against Ethiopia. For instance, while describing the success of forces of Islam, Haggai wrote; 'Grag's conquest of Ethiopia needs no retelling. The kingdom of Ethiopia had been weakening as Islam unites, seeking its destruction and replacement' (1994:32) However, such perception bases itself on historical bias that widely creates controversy about Ethiopian History. The incident tended to be a civil war between emerging local Islamic Sultanate and previously consolidated Christian kingdom of Ethiopia.

Portugal latter on joined the internal war on the side of Christian Kingdom where the war became proxy against Ottoman. The first major confrontation between the two forces took place in 1529 where forces of Ahmed Grag won the Christian Kingdom in the battle of Shumbura Kure. On the other hand, a Portuguese expeditionary mission headed by Christopher Dagama landed at Massawa in 1542 to save Christian Kingdom. However, four hundred highly trained forces of Portuguese lost the battle where Dagama himself was captured. A year later the forces of Christian Kingdom achieved success in the battle of Zaratar where Grag was killed.

Since that incident, local Islamic sultanate of Grag collapsed and the remnants of War organized at Harar. Grag's successor, Nur Aldin built a wall around the town and saved the town

for Islam. In 1559, he led a war against Christian Kingdom and killed their King Geladewos. Due to loss of their leader and lack of Ottoman support and interest, the Sultanate of Harar remained in the wall without any further expansion.

However, the Ottomans soon became interested in occupying parts of Ethiopia. By 1557, Ottomans had landed at Massawa. By that time, Ottomans had concerned with their strategic goals and did not attend Nur-Aldin and Harar. For the remaining decades of the century and throughout 17th and 18th Century until mid-1880s Ottoman continued to play intensive role in Ethiopian politics from Massawa. During the second part of the sixteenth century, the Ottoman Empire founded the *Eyalet Habesh* ('Province of Abyssinia') on the shore of the Red Sea, around the Ethiopian town of Massawa (Chekroun, 2012).

This Ottoman presence, which continued until the middle of the nineteenth century, is part of the policy of the Ottoman Empire for the control of the Red Sea but was not really a success. At the end of the nineteenth century, the wish of diplomatic relations replaced the spirit of conquest. The Ottoman occupation ended with the Italian Occupation of Massawa in 1885. The ambition of ottoman to establish strongest Islamic state in history and the strategic importance of Red Sea brought it in first direct contact with Ethiopia.

Apart from these conflictual incidents, there were also commercial ties between the two nations. Trade of coffee and slaves remained important factors for earliest economic ties between the ancient Ottoman Empire and Ethiopia. Coffee received higher importance since it was introduced first to Yemen and then to Ottoman during 15th and 16th respectively. Coffee remained an important trade item, in volume and value even when the trade in spices from Far East revived during 1540s (Mordichi,1980:122) Thus inclusion of coffee to the Red Sea trade route rapidly increased volume of trade and hence revenue from it.

3.2.2. Ethiopia-Turkey during Twentieth Century

The modern Diplomatic relations between Turkey and Ethiopia started in 1896 with the exchange of delegations during the rule of Sultan Abdülhamid II and Emperor Menelik II. In 1912, the first Ottoman-Turkish Consulate General in Harar was opened (Turkey, MFA, 2015). This office played significant role in enhancing their relations until the time their diplomatic relations grew to Embassy level.

During period of Lij Iyasu (1913-1916), Ethiopia had good relations with Turkey. In 1915, on the birthday of the Sultan of Turkey, Lij Eyasu made a surprise appearance in his capital after yet another extended jaunt around the Empire, and visited the Turkish mission to attend a celebration dinner. It is said that Lij Eyasu declared that as the Patriarch of Alexandria, who was

the head of the Ethiopian church, was an Egyptian subject of the Sultan of Turkey, Ethiopians were also the religious subjects of the Sultan. He went on to proudly proclaim his own descent from the Prophet Mohammed, and presented the Turkish minister with an Ethiopian flag with the words "Allah is Great, and Mohammed is his Prophet" embroidered in Arabic where the Lion of Judah would have been.

Lij Iyasu had aligned with Ottoman during WWI. In April 1916, Iyasu officially placed Abyssinia in religious dependence on the Sultan of Turkey as Caliph and sent to the Turkish consul-general at Harar an Ethiopian flag bearing the crescent and a confession of faith in Islam. About this time, he informed his Muslim confederates - who had been told that Germany and Austria had embraced Islam and had imposed that faith upon France - that he would lead them against the Allies as soon as a great German victory should be announced (Global Security, 2014). However, Iyasu was removed from power before making actual alliance with Ottomans.

The allied diplomats in Addis Ababa were extremely angered at this overture to the Turks, the nobles who had always seen the Turks as old enemies were furious, and the Orthodox Church hierarchy was scandalized. This unpredictable behavior of the Emperor-designate, which had at first amused the indulgent people as youthful hot blood, something the young heir would outgrow, was now seen as scandalous, reckless and horrifying. The Ethiopian Orthodox Church was beyond disturbed, the hierarchs were deeply angered. Consequently, Lij Iyasu was overthrown from power after defeat at battle to hands of old Showan nobility. Lij Iyasu was replaced by Zewditu as prince and Ras Tafari Mekonen as heir (1916-1930) who later on (1931) crowned as Emperor Haile Selassie I after systematically defeating his power contenders.

The first Embassy of the Republic of Turkey's in Sub-Saharan Africa was opened in Addis Ababa, in 1926 only three years after modern Turkey Republic was proclaimed. This makes Turkey the sixth country to open its Embassy in Ethiopia.² In 1931, Turkey was among few countries that participated on coronation of Emperor Haile Sellasie I (The angelfire.com, 2014). However, When the Turkish delegation arrived, the Armenian youths staunchly refused to play the Turkish anthem causing the Emperor to be very embarrassed and quite angry. The Emperor decided to put the matter before the senior princes and nobles in council to decide how to punish the Armenians for disobeying the monarch. When the council demanded an explanation from the band, the Armenians tearfully replied that it was against their conscience to honor those who had butchered their fathers and mothers.

Finally, the council agreed that it was too much to expect the Armenians to honor the representative of Turkey, so they recommended that they not be punished. The Emperor agreed and the Armenians were allowed to disobey the Emperor and refuse to play the Turkish National Anthem. Despite that incident that faced the Emperor at his coronation event a relation between Turkey and Ethiopia showed progress at least until Italian Occupation of the later in 1935.

One manifestation of their cordial relation during the period was that Ethiopia opened its Embassy in Turkey in 1933. Unfortunately, only two years after opening of the Embassy, Emperor Haile Selassie left the country to London following Italian occupation of the country. During this time, Turkey had maintained good relations with Italy, which in turn led deterioration of relations with Ethiopia. Following this, in 1938, Haile Selassie wrote a letter to President Kemal Ataturk of Turkey blaming the latter for recognizing Italy as sovereign authority in Ethiopia. The letter reads as:

---The granting of this title to the sovereign of Italy is an outrage of international engagements, namely, the Covenant of the League of Nations and the Brland-Kellogg Pact. "Turkey, similar to other members of the League, is pledged to respect and, if need be, secure respect for the political sovereignty and territorial integrity of the Abyssinian Empire." The people of [Ethiopia] are now fighting with desperate energy and increasing success for complete liberation of their territory, and up to the' present the Italians have not succeeded in establishing military control over even one half of [Ethiopia], "It is with profound sadness that I learn of the default of a friendly, country like Turkey" (The Argus, 1938: 11). (See Annex 1 to for full letter)

The letter highlights that Ethiopia-Turkey relation slowed down during Italian occupation of the country (1936-1941). Despite this, Ethiopia-Turkey diplomatic relations remained cordial after liberation. As a result, the emperor visited Turkey for second time in 1959 (Imperial Ethiopian Embassy, Ankara, 1967).

In short, during Imperial period Turkey Ethiopia relations were both conflictual and cordial. Before Italian occupation, the countries maintained good relations. In this regard, there is no good evidence than Emperor's visit to Turkey. However, their relations turned down during occupation and, a decade after liberation. Apart from Turkey's recognition of Italian occupation of Ethiopia, the increased influence from Britain during 1940s and strong alliance with USA after 1950 were the other factors that kept Ethiopia-Turkey relations at lower phase. The Emperor's visit during late 1950s marked restoration of their relation.

During the Derg regime (1974-1977), Ethiopia and Turkey relations were not cordial. Cold war ideological division negatively influenced their relations. By officially adopting socialism as national guiding principle, the Derg regime allied itself with Eastern bloc led by USSR. Contrary to this, Turkey maintained good relations with USA that was a leader of western capitalist bloc.

Due to opposing alignment cold war, their relations were not able to be improved. As a result, The Embassy of Ethiopia in Ankara was closed in 1984 by the Communist Derg regime (The Ministry of Foreign of Affairs of Turkey, 2014). This incident signalled final seizure of diplomatic relations between the two countries. In short, during Derg regime the bilateral relations were not good. It was only after end of cold war (1991) that the countries were able to restore their diplomatic relations.

3.3. Globalization and Ethiopia-Turkey Relations

As mentioned above, globalization is the most important global factor that has shaped contemporary international relations. Therefore, Ethiopia-Turkey bilateral relations should be viewed within the context of this driving force of the present (Post-Cold War) era. Accordingly, the following section discusses what we mean by globalization and how it affects bilateral relations between the two countries.

Globalization is one of the most contested concepts in the 21st century. The disagreements are results of varying perceptions and understanding of the word itself. However, some common elements define globalization.

Danny Mackinnon and Andrew Cumbers (2007), identify the major elements that are central to the nature and process of globalization. Firstly, advancement in the ICT and the subsequent free flow of information, finance and people. Secondly, the increasing competition from low-wage economies in distant places and associated processes of deindustrialization at home and the transfer of jobs abroad; third, the emergence of a global financial system that moves billions of dollars around the world electronically instantly. Fourth, the attempt to construct new global governance system by rules of international trade and development. Fifth, the anti-globalization forces; a growing coalition of trade unions, environmental groups and other campaigners who oppose the direction that globalization is taking.

Thus, Globalization refers to the growing connections and linkages between people and firms located in different places, manifesting in increased flows of goods, services, money, information and people across national and continental borders (Mackinnon and Cumbers,

2007;25). According to this definition, globalization is not only limited to linkages between people but also includes connections between firms across different regions of the world.

Increasing interconnectedness of firms and reallocation of resources are often termed as economic globalization. Economic globalization includes growing transnational business networks of production, trade and finance, making difficulties for their governments to regulate and control market forces. In combination with increased trade and financial flows, the increasing importance of MNCs has significantly transformed the international economy (Gilpin, 2001). Although the end of the Cold War provided the necessary political condition for the creation of a truly global economy, economic, political, and technological developments have been the driving force behind economic globalization.

Globalization also refers to increasing interaction among cultures and values that result from shrinking of time and space to achieve communication and movement of people. Making it easy for contacts among societies across the globe, cultural exchanges have significantly increased with globalization (ibid).

In short, globalization is the process of increasing interconnectedness, interaction and flow of social, political and economic elements due to sophistication in modern technologies such as ICT and transport and changes in attitudes of people.

On the other hand, there are controversies regarding impacts of globalization. There are at least three perspectives on globalization. The first group is known as hyper-globalists. This group contends that globalization is irreversible and it increases economic well-being by enabling a more efficient allocation of resources through the market and the free trade.

The second perspective is known as sceptics. The sceptics stand in opposition to the hyper-globalists by arguing that globalization is a useful political myth to support the arguments of neoliberals over those who argue for government intervention. For sceptics, any increase in global economic integration, without state intervention or international cooperation, will lead to a widening divide between rich and poor.

Transformationalists form the third group on globalization. Transformationalists hold that globalization has good and bad consequences; increasing trade and connections between people and bringing wealth to some places, but also creating new forms of inequality. According to this view, globalization does not make all places the same, but leads to new forms of differences as global flows of commodities, people and finance interact with distinctive and specialized local patterns of economic activity.

In general, globalization is a phenomenon that has wider implications for contemporary international relations. Globalization has transformed the organization of international economic relationships around the world affecting the economic, political and social spheres of societies and citizens (Saner and Yiu, 2003). It is with this understanding in mind that Ethiopia-Turkey bilateral relations are dealt with. Globalization is the major factor that has influenced current relations between Ethiopia and Turkey. In fact, the foreign policy of Ethiopia has put globalization as one of its bases as follows:

In the process of globalization, the world economy has become interconnected and an international division of labour has been introduced. It is impossible to operate outside of this context. Countries are either producers or aid recipients in the globalizing economy. There are no exceptions and no country is outside of this global economy. Rapid development can be achieved by our country only through strong efforts to graduate from the aid recipient category to the category of producer. To sustain that development, a steady effort to improve one's position in the global division of labour is required (FDRE, MFA, 2002:17).

Similarly, Turkey pursues a dynamic and visionary foreign policy with a view to steering the developments in a positive direction, in a region where the impacts of global changes are greatest (Turkey, MFA, 2015).

From above statement, it is clear that globalization is an inevitable process that countries should consider as the common external denominator of foreign policy of states. Both Ethiopia and Turkey have perceived this.

3.4. Domestic and Foreign Policy Environments

The current bilateral relations between Ethiopia and Turkey are manifestations of economic, political and social phenomena that are taking place in both countries since the past two decades. These developments are discussed below.

3.4.1. Domestic Political Economy of Ethiopia

With the coming to power of EPRDF in 1991, Ethiopia underwent a fundamental change restricting its socio-economic and political landscapes. Among other changes, two transformations are the most prominent in the political economy of the country. The first substantial change is transformation of the country from unitary to federal structure that led to a new socio-political organization. The abolition of Command Economy and the move towards free

market is the second major transformation that took place in Ethiopia following the downfall of the Derg regime in 1991. However, significant economic growth has been registered only after the end of last century.

The country's economic structure is changing because of the recent rapid economic growth registered in the country. For first time since 1991, in 2011/12, the service sector took lead over Agriculture with GDP share of 44.9% and 43.7% respectively. In 2013/14 service sector accounts for 45.9% of the GDP followed by Agriculture (39.9%) and industry (14.2%) (National Bank of Ethiopia (NBE, 2015:2). Some of the aforementioned economic and socio-political trends are consequences of political decisions taken by the government of EPRDF.

During the last decade, the country has been growing at a rapid rate. The Ethiopian economy has continued to grow and the overall economic performance has improved. Real GDP has continued to grow on an average by 10.9 percent in the past decade (2003/04-2012/13) (NBE, 2014). Ethiopian economy registered average annual growth rate of 10.1 percent during the GTP period of 2010/11-2013/14 (Ibid, 2015). Real GDP expanded by 10.3 percent in 2013/14, compared to the GTP target of 11.2 percent for the year. This economic growth has also been impressive compared with the 5.4 percent growth estimated for Sub-Saharan Africa in 2014 (World Economic Outlook update, July 2014).

The growth of 2014 was mainly contributed to the service sector (51.7 percent), agricultural sector (21.9 percent) and industrial sector (26.4 percent). Nominal GDP per capita went up to USD 631.5 from USD 557.6 in the preceding year. Similarly, real per capita GDP increased by 3.0 percent to USD 377.1 against the preceding year (National Bank of Ethiopia, 2014: 1).

The Ethiopian economy has been projected to grow by 11.4 percent in 2014/15 in contrast to 4.0 and 5.8 percent growth projected by IMF for the world and SSA respectively (WEO, July, 2014). The inflation level is also expected to be contained to a single digit level.

3.4.2. Foreign policy of Ethiopia

Foreign policy refers to the set of direction and strategies used by governments to guide their actions in international arena (Goldstein 2001:163). In discussing Ethiopia's foreign policy as contextual indicators of this study, two points are worth mentioning: national interest and economic diplomacy. Before moving to a discussion of the Ethiopian context, it would be helpful to take a glimpse at the two concepts.

National interest, generally, is the purpose, which the foreign policy is intended to serve. The national interest is often referred to the French expression *raison d'état* (reason of state), a country's goals and ambitions whether economic, military, or cultural (Reynolds, 1970:36).

There are national goals for which a compromise is not possible. These irreducible goals are associated with clear-cut patterns of action and reaction. They generally involve the minimum requirements of security and defense as defined by the policy makers (Macridis, 1979:21). By implication, these goals are referred to as the national interest. To meet national interests states rely on various resources that might involve peaceful or coercive means.

Economic diplomacy is among the peaceful tools that actors employ to achieve their goals. According to Bergeijk, M. (2008) economic diplomacy refers to a set of activities (both regarding methods and processes for international decision-making) related to cross border economic activities (export, import, investment, lending, aid, and migration) pursued by state and non-state actors in the real world. In a broader sense, economic diplomacy focuses on how states conduct their external economic relations, how they make decisions domestically, how they negotiate internationally and how these processes interact. Aside from foreign trade, it includes external investments, financial flows, aid, bilateral and multilateral economic negotiations and technology exchanges. For the purpose of this paper economic diplomacy is a process of negotiation, bargaining, influencing and decision making using economic resources to achieve economic, political and social interests of a given state.

Since 1991, Ethiopia's national interests have been completely redefined, to focus on the country's external and internal vulnerabilities and problems, political and economic. The major contributing factors for internal and external vulnerabilities have been understood to be underdevelopment and poverty. With this understanding, the Ethiopian foreign policy defines national interest to be ensuring democracy and development (FDRE, MFA, 2002:7). The 1995 FDRE constitution stipulates that 'promoting policies of foreign relations based on the protection of national interest and respect for the national sovereignty of the country' is the objective of external relations of the country (FDRE Constitution, 1995: Art 86/1).

In order to meet afore mentioned national goals, economic diplomacy is consistently employed. According to Ethiopian Government Communication Affairs Office (GCAO), 2012; 46) Ethiopia's economic diplomacy policy is mainly directed at promoting its economic interest. Attracting direct foreign investment, lobbying for facilitating the expansion of the ex-

port market, luring foreign tourists and soliciting development assistance consisting of financial and technical support through bilateral and multilateral cooperation are the major targets of economic diplomacy.

From above discussion, the philosophy behind Ethiopia's foreign policy is clear: diplomatic activity should serve the country's economic agenda, of providing rapid economic development together with the objective of advancing democracy in the building up of the democratic developmental state.

In general, the domestic and foreign policy of Ethiopia have unifying focus in understanding its engagement with outside world in general and Turkey in particular.

3.4.3. Domestic Context of Turkey

Turkey is a large, middle-income country with relatively few natural resources. Its economy is currently in transition from a high degree of reliance on agriculture and heavy industry to a more diversified economy with an increasingly large and globalized services sector. Turkey's economy grew an average of 6.0% per year from 2002 through 2007 with one of the highest sustained rates of growth in the world. During this period, inflation and interest rates fell significantly, the currency stabilized, and government debt declined to more supportable levels (39.5% of GDP in 2008).

However, booming economic growth contributed to a growing current account deficit (5.6% of GDP or \$41.6 billion in 2008). Growth fell to 1.1% in 2008, and the economy contracted by 4.7% in 2009 due to the global economic slowdown and reduced exports. Turkey was quick to recover from the global financial crisis of 2008/2009. However, growth slowed down in 2013 (2.2%) and remained stagnant at 3% in 2014, a result which did not live up to the more optimistic economic forecasts. Turkey was in fact harmed by the unfavourable international environment, political tensions at home, the readjustment of the U.S. monetary policy and the conflicts in Iraq and Syria.

Despite its strong performance, the Turkish economy has a number of weaknesses. The current account deficit represents 5.8% of GDP, the country's internal funding is inadequate and household debt is high. The country, which imports massive quantities of oil, took advantage of the drop in price in late 2014. The tourism sector and exports have benefited from the sharp depreciation of the Turkish lira in 2014, which nevertheless harmed household con-

sumption and increased inflation (8.7% in 2014). The country's dependence on capital inflows makes it particularly vulnerable to external shocks. The unemployment rate, which soared due to the economic crisis of 2008/2009, has now declined (under 10%). However, it exceeds 18% for the youth. Turkey is characterized by the existence of a large informal sector, and income inequality remains strong

Economic success of Turkey has led to increasing competence of its companies outside the country. Thirty-three Turkish firms were listed among the top 225 international contractors in 2012, which was second after Chinese companies (MFA, Turkey, 2014).

In November 2014, Prime Minister Davutoglu announced a highly ambitious economic development plan aimed at bringing the Turkish GDP from USD 820 billion to USD 1,300 billion by 2018. The state is specifically planning the construction of a new bridge over the Bosphorus and a third airport in Istanbul. The plan, hailed as "historic," also intends to reduce Turkey's energy dependency and deficits.

However, President Erdogan has been accused of authoritarian tendencies. In 2014, his former ally of President Erdogan, the preacher Fethullah Gülen, was hunted down and some of his followers arrested. The Turkish position towards the IS terrorists is also ambiguous because, for Erdogan, the priority was to overthrow Bashar Assad. Above all, Turkey fears the creation of a Kurdish state, given that Kurds represent 15% of the country's population. Lastly, in December 2014 Erdogan expressed his wish to return to certain Ottoman traditions, including compulsory religious education starting from the age of six. Since the beginning of the conflict in Syria, Turkey has received 1.6 million refugees

3.4.4. Foreign policy of Turkey

External relations of Turkey are currently based on foreign policy formulated in 2002. The AKP foreign policy is based on an ideational (ideological) foundation that emphasizes country's 'strategic depth' in geographic, historic and cultural terms. Geographically Turkey is seen as the centre in the midst of Afro-Eurasia's vast landmasses. This unique location endows it with multiple identities as Middle Eastern, Balkan/Caucasian, Central Asian, Caspian, Mediterranean, Gulf and Black Sea country (Davutoglu, 2008: 79 quoted in Reynolds, 2012:15). Issues of secularism largely dominate AKP's foreign policy. Although the leaders of the AKP, particularly in the party's early years, were keen to downplay their long involvement in Islamist circles and to affirm their commitment to the principle of secular gov-

ernance, their personal piety has never been in doubt, and so the AKP has always been tagged as the “Muslim” party.

In dealing with Turkey’s relations with states outside two principles of its foreign policy are worth mentioning. The first principle deals with development of relations with neighbours and beyond. This implies a foreign policy outreach that goes beyond immediate neighbouring countries into broader regional framework. In this way, Turkey is able to influence not only bilateral relations but also regional developments in its wider neighbours as a regional power. Adherence to multi-dimensional foreign policy is the second principle of Turkey’s external relations. This principle implies the avoidance of exclusive alignments. Instead, Turkey wants to flourish good relations with all relevant actors in the shaping of contemporary international relations by reorienting its Foreign policy. Relations with Africa constitute one of the prime orientations of Turkish foreign policy.

Turkey-Africa relations have gained a substantial momentum since the declaration of Turkey as a strategic partner of the Continent by the African Union in January 2008. Turkey has given further boost to its Africa policy during first five years partnership (2008-2013) wherein relations have been transformed into a mutually reinforced political-economic partnership. As a result, strategic partnership has been strengthened through bilateral and multilateral engagement with African countries during second phase of their relations (post-2013). In a world where globalization renders distances increasingly insignificant, Turkey is also deepening its policies of reaching out to Sub-Saharan Africa (Turkey, MFA, 2015).

In other words, Turkey does not only develop its bilateral and regional relations in its close neighbourhood, but seeks to create a positive synergy on a much wider scale and thus aims at contributing to global peace, stability and security. In this regard, Turkey is conducting an active diplomacy in the multilateral fora, notably within the United Nations. As regards the UN, for instance, after concluding its non-permanent membership in the Security Council during 2009-2010, Turkey announced again its candidacy for a non-permanent seat in the Council the years 2015-2016 (ibid).

Turkey is a member of the World Trade Organization (WTO), the Organization for Economic Cooperation and Development (OECD), the Council of Europe, and the Organization for Security and Cooperation in Europe (OSCE), North Atlantic Treaty Organization (NATO) and candidate for the EU.

In general, Turkey’s primary political, economic, and security ties are with the West. However, the AKP government has also sought to strengthen relations with its Middle Eastern neighbours, and with Central Asian, African, and Latin American countries. The foreign poli-

cy has been pursued by mobilizing many and complementary political, economic, humanitarian and cultural means.

3.5. Indicators of Ethiopia-Turkey Relations

Institutions are one of the indicators of Ethiopia-Turkey bilateral relations. Currently the two countries have institutions that are manifestations of their multidimensional relations. Institutions represent existence of mutual interests between two different actors. With regard to Ethiopia and Turkey Institutions of Economic, political and social spheres exist.

3.5.1. Economic Indicators

Economic relations are the most important element in Ethiopia-Turkey relations. Institutions show the strength of economic interdependence of the two countries. Business firms represent economic institutions. There are over two hundred thirty Turkey's business firms operating in Ethiopia. In addition, Turkey has the business community office in Addis Ababa since 2005. These are some of the economic institutions working to benefit bilateral relations.

Various elements that indicate bilateral economic interdependence are available. Among other things, Trade and FDI are the major indicators of economic interdependence between the two countries. Turkey's investments in Ethiopia amount to some \$1.4 billion, employing nearly 30,000 Ethiopian people (Somaliland, 1991; Word Press, 2013). The capital investments of Turkish companies amount to USD three billion in Ethiopia. This is half of the six billion USD; Turkey has invested in sub-Saharan Africa (The Capital Magazine, 2014).

In terms of trade, both countries share of import and export is expanding year after year. The trade relations of Ethiopia and Turkey reached 550 Million US Dollars in 2013 from 110 Million US Dollars in 2004 (Merkato News, 2014). Commercial and economic ties between Turkey and Ethiopia are well developing. Thus, size and items of bilateral trade show how much the two countries are economically interdependent.

Furthermore, NGOs are also playing a significant role in Ethiopia's development endeavour. For example, the Turkish International Cooperation and Development Agency (TIKA) which, provides water and sanitation services, opened its first office in Ethiopia In 2005. Under its program to provide clean water, TIKA began to open water wells in Ethiopia with the cooperation of General Directorate of State Hydraulic Works (DSİ) (Volkan and Gonca, 2013). The above institutions work cooperatively to implement Turkey's foreign policy in Ethiopia

and other countries. On the other hand, Turkish Airlines and business councils operate in Ethiopia with complementary and supplementary interaction respectively.

To enhance and strengthen further participation of business-to-business relations, the Ethiopian-Turkey Trade and Investment Forum has been put in place. Such business-to-business meeting between Ethiopian and Turkish business communities has enhanced the trade and investment ties of the two countries

Concisely, increasing FDI inflow, growing trade volume and expanding activities of NGOs show the strength of economic relations between Ethiopia and Turkey. The extent to which these elements are important will be discussed in the next chapter.

3.5.2. Socio-political interactions

Political institutions play the role of representing and facilitating relations at state level. Most diplomatic representations are often a sign of existence of political relations between states. In addition, visits by leaders, bilateral consultation forums, civil societies and institutions are some of indicators for political and social relations between states.

Diplomatic institutions include embassies and related offices that represent a given state in other states. These institutions at least indicate the existence of diplomatic relations between Ethiopia and Turkey. Turkey has a century old legation in Ethiopia. Ethiopia also re-opened its old Embassy in Ankara in 2006. This is a clear indicator of increasing relations between the two countries. This is because embassies play significant role in enhancing good relations between states. For instance, Turkey's embassy in Addis Ababa serves to regulate and manage its relations with not only Ethiopia but also it serves as centre to coordinate diplomatic relations with African Union in general.

Visits of leaders and annual political consultations indicate growing political interactions of the two countries. Turkish Prime Minister Recep Tayyip Erdogan visited Ethiopia in March 2005 and January 2015. In 2008, Prime Minister Meles Zenawi was co-chair of the Turkey Africa Summit in Istanbul (Shin, 2012). Turkey and Ethiopia have common bilateral and multilateral forums that focus on various economic, political and social issues. In this regard, annual business and political forums are worth noting. Currently, two political forums: one at bilateral and the other at multi-lateral level exist. Since 2008, Ethiopia and Turkey have conducted annual bilateral political consultation forums. Similarly, Ethiopia participates in Turkey-Africa partnership that takes place every five year since 2008.

Social institutions are also important indicators of bilateral relations. IHH and TUSKON³ are the major organizations that represent both economic and social relations. These organizations coordinate various projects in areas of education, health and humanitarian services. Besides, a number of Ethiopian students benefit from Turkey-Africa scholarship program, which is provided by cooperation of the Directorate of Turkish Diaspora and Related Communities (YTB) and other institutions (ibid). In addition, Nejashi Ethio-Turkish private school is the other social institution that reveals education to be important element in social relations of the two nations.

Cultural exchange is the other indicator of social interactions between the two nations. These include tourism and cultural exhibitions. In 2010, a delegation of more than 200 businesspersons, bureaucrats and performers participated on the 78th Izmir International Fair (iEF) (Addis Fortune, 2010). Turkish Exporters' Union and TUSKON organized a trade forum in Addis Ababa in 2011. During both events, cultural shows were parts of the exhibition.

Concisely, economic, political and social institutions and forums are important indicators that show nature and scope of the Ethiopia and Turkey relations. As mentioned above, currently their interactions encompass political, economic, humanitarian, social and technological aspects. This shows Ethiopia is one of the states that have strongest bilateral relations with Turkey. In short, the current relation between Turkey and Ethiopia is one of fast growing relationship in sub-Sahara, if not in Africa. Political and social relations will be discussed under chapter five and six respectively.

Chapter Four

Economic Relations

4.1. Introduction

Contemporary economic cooperation between Ethiopia and Turkey has been based on definite legal and institutional frameworks. The legal framework constitutes various agreements reached between the two countries with respect to economic cooperation. Institutional frameworks include both governmental and private agencies created by agreements to promote Ethiopia-Turkey economic relations.

Because of those legal and institutional foundations, Ethiopia and Turkey have seen robust and rapid development in bilateral economic cooperation. Trade is one of the most important elements of Ethiopia-Turkey economic relations. In order to understand bilateral trade partnership, a discussion and analysis of trade trends, import and export items and earnings, volume and values of trade and balance of payments would be very important. Therefore, this chapter analyses Ethiopia-Turkey trade relations. Moreover, annual growth, import, and diversifications are also carried out as part of the discussion.

Foreign Direct Investment is the other key economic indicator of Ethiopia-Turkey relations. Currently Turkey is one of the leading countries that are investing in Ethiopia. The analytical scope of this section includes trend study of Turkish FDI to Ethiopia as measured by capital size and total number of projects, position of Turkish FDI as compared to other major FDI source countries, its regional distribution, and capital and employment creation. Development finance is also part of Ethiopia-Turkey economic relations. This includes various development projects run by Turkish organizations.

Finally, challenges and prospects of Ethiopia-Turkey economic relations will be discussed. Discussions and analysis in this chapter are supported by numerical data collected through key informant interviews and through document analysis.

4.2. Legal and Institutional Frameworks of Trade and Investment Partnership

4.2.1. Legal Framework

Establishment of appropriate and favourable legal framework for bilateral economic relations is of crucial importance. The legal framework of Ethiopia-Turkey economic relations is based on a number of bilateral treaties, memorandum of understandings and exchange of protocols

and notes. In order to boost up investment and trade relations, the two countries have signed a number of agreements and memorandum of understandings and exchanges of notes at different times. Some of these agreements are discussed below.

A. Treaties

The first comprehensive bilateral treaty between Ethiopia and Turkey was an Agreement on Economic and Technical Cooperation and Trade signed on September 9, 1993 in Izmir, Turkey. This agreement can be taken as a pathfinder for other bilateral agreements that has been reached between the two countries. Accordingly, many of the treaties, memorandum of understandings and protocols signed after that date refer to this treaty. Therefore, this treaty is the pioneer to Ethiopia-Turkey bilateral economic relations.

The second treaty in the area of investment and trade is an Agreement concerning the Reciprocal Promotion and Protection of Investment, which was signed in 2000 and ratified in 2003 (FDRE, 2003: Proclamation No. 323/2003) . This treaty aims to promote greater economic cooperation between Ethiopia and Turkey, particularly with respect to investments by investors of one Party in the territory of the other Party.

The agreement consists of nine articles that deal with issues related to bilateral investment partnership. The main issues of the agreement are promotion and protection of investments, treatment of investors, matters of expropriation and compensation, repatriation and transfer, and subrogation and about settlements of disputes related to investment. In short, the agreement encompasses wider issues related to bilateral investment relations and thus paved the way for further development of partnership between Ethiopia and Turkey. On the Ethiopian side, the Ethiopian Investment Authority is empowered to implement the agreements.

Further, an Agreement for the Avoidance of Double Taxation with Respect to Taxes on Income was signed between Ethiopia and Turkey in Addis Ababa on the March, 2, 2005. This agreement was ratified on March 6, 2005 (FDRE, 2005: Proclamation No. 480/2005). Even though this treaty is not directly related either to trade or to investment, it has a significant impact on bilateral trade and investment relations.

B. Exchange of Protocols

In the economic sphere, an exchange of protocol that established technical cooperation in the agricultural sector of both countries has taken place. A Protocol on Technical, Scientific and Economic Cooperation in the field of Agriculture was signed on February 8, 2007 between the Ministry of Agriculture and Rural Affairs, Turkey and the Ministry of Agriculture and Rural Development of Ethiopia respectively (FDRE, 2007).

Accordingly, the two countries agreed to establish cooperation in the field of agriculture, food industry, animal husbandry and rural affairs. The cooperation includes exchanges of information, research results and experts in the fields. Furthermore, the two countries agreed to organize trainings and conferences; to establish direct joint activities between their respective institutions and to encourage direct joint ventures of cooperation between their private sectors with a view to achieve agricultural marketing in both the countries as well as in other markets. Thus, the protocol aims to establish technical cooperation between the two countries in the field of agriculture, and includes activities of capacity building. The agreement was ratified by Ethiopia on 10th, of January 2008 (Federal Negarit Gazetta, 2008: Proclamation No. 562/2008).

C. Memorandum of Understandings (MoUs)

To promote and facilitate the Agreement on Economic and Technical Cooperation and Trade signed 1993 in Izmir, the two countries signed a further Memorandum of Understanding in 1997. The MOU contains eight points that deals with the economic and technical cooperation in commercial activities. Out of this, the second and sixth points of agreement deal with issues of bilateral trade.

The second point of the agreement stipulates:

In order to strengthen and develop their economic and commercial relations... the two sides agreed to take necessary measures to establish favourable, competitive and stable conditions on the basis of the principles of a free market economy for further development of the trade and economic relations, aiming at contributing to the economic growth and living standards of the people in both countries.

More over the sixth point of the agreement reads:

In order to strengthen the trade relations between the two countries, both parties shall encourage the establishment of closer cooperation and contacts between their respective Chambers of Commerce. Both sides shall also encourage and facilitate the exchange of visits of businesspersons and trade missions between the two countries, and each other's participation in trade fairs and exhibitions to be held in either country.

As it can be seen from the above two paragraphs of agreement, the MOU gives the two countries the responsibility to create conducive environment to enhance bilateral trade partnership. Practically, the two countries have made significant measures that are concerned with agreed points. The aforementioned agreements show some of the major legal instruments taken to-

wards implementation of the Memorandum of Understanding. In addition, institutional partnership created between ECCSA and TUSKON, various joint-trade fairs and exhibitions held so far and Ethiopia-Turkish Trade and Investment Forum (discussed under chapter 3) are some of the permanent and ad-hoc institutional setups created in accordance with this specific MoU.

The other relevant Memorandum of Understanding between Ethiopia and Turkey is the 2005 Cooperation in Maritime agreement. The main objective of the MoU is to contribute to the development of the commercial and economic relations between the two countries through cooperation in maritime fields. Accordingly, the two countries agreed to establish a network for the exchange of information related to the maritime transport; to encourage the transfer of technology in the field of shipping activities and to boost cooperation in the field of professional training of shipping personnel and the exchange of expertise (FDRE, MFA, 2005). This agreement is of paramount importance in bilateral economic and commercial relations due to the central role that maritime transport holds in foreign trade and investment. Therefore, the agreement remains crucial as far as Ethiopia-Turkey investment and trade partnerships are concerned.

4.2.2. Unilateral, Bilateral and Multilateral Institutional frame works

A. Ethiopia-Turkey Trade and Investment Forum

Ethiopia-Turkey Trade and Investment Forum is an institutional framework established with the aim to smoothen the bilateral investment and trade relations by bringing together stakeholders from both Ethiopia and Turkey. The forum invites high officials and businesspersons from Ethiopia and Turkey to discuss on issues of bilateral investment and trade.

Most often discussions of the Forum focus on matters related to the identification of investment and trade opportunities, the exploration of priority areas of investment and trade, the enhancement of the bilateral complementary and mutually beneficial economic and trade cooperation and ways to elevate the bilateral trade ties of the two countries (MFA, 2014).

The forum plays a critical role in strengthening the bilateral trade and investment partnerships for two major reasons. The first reason is that the forum serves as a stage to discuss the major challenges and prospects of bilateral trade and investment. This would help to identify bottlenecks surrounding the bilateral investment and trade. This in turn would help concerned authorities of both countries to work together towards curbing bottlenecks

The second contribution of the forum is that it creates both business-to-business and inter-sectorial relations. Each year, hundreds of business delegations from Ethiopia and Turkey attend the forum, which creates an opportunity for businesspersons to network to each other through business-to-business interactions. In addition, the forum also interlinks various sectors from Ethiopia and Turkey. A partnership created between Ethiopian Chamber of the Commerce and Sectoral Associations (ECSSA), and Turkish Confederation of Businessmen and Industries (TUSKON) is a good example for inter-sectorial linkages created between the two countries.

In a nutshell, Ethiopia-Turkey Trade and Investment Forum is a major institutional framework which significantly contributes to the bilateral business partnerships.

B. Joint Commission on Economic, Trade and Technical Cooperation (JEC)

Ethio-Turkey Joint Commission Meeting on Economic, Trade and Technical Cooperation (JEC) was established in accordance with Article II of the Agreement on Economic, Technical Cooperation and Trade signed 1993, in Izmir, and the Memorandum of Understanding signed between the two countries, in 2000 in Ankara.

Even though the two countries agreed to begin the first JEC meeting in 1998 during the MOU signed in the previous year, the first meeting was conducted only in 2000. The third JEC meeting took place in 2005. Even though the agenda items of JEC vary from time to time, trade, technical and finance cooperation has been the focus of their meeting. Until today, in order to evaluate and enhance bilateral economic and trade relations six joint meetings have been made. The last meeting was held in 2012⁴

The JEC can be regarded as one of the effective mechanisms of evaluation for Ethiopia-Turkey economic relations. Since it is serving as a regular forum established by agreement (though not on fixed time interval), the JEC has taken a strong institutional shape.

Moreover, there are ad-hoc committees that are established to evaluate progress of the implementation of concluded agreements. In this regard, Ethiopia- Turkish Economic Follow up Committee can be mentioned. The Committee was established on March 13, 2015 based on the sixth Ethio-Turkey Joint Commission Meeting on Economic, Trade and Technical Cooperation. In its first session (where the researcher was an observer), the Committee was chaired by Dewano Kedir, State Minister at MFA of FDRE and was attended by senior experts, researchers and officials from relevant ministries of both Ethiopia and Turkey. ⁵ During the session, the Committee discussed about expanding investment cooperation, increasing the

trade volume, cooperation in energy sector, business forum and Free Trade and Banking negotiations.

C. Confederation of Businessmen and Industrialists of Turkey (TUSKON)

TUSKON is Turkish based non-governmental, non-profit umbrella organization representing seven regional businesspersons' federations and two hundred and eleven businesspersons associations. Currently, TUSKON has five representative offices distributed in Washington D.C., Brussels, Moscow, Beijing and Addis Ababa (TUSKON, 2015).

The main objectives of the organization among others includes creating new business opportunities both in Turkey and other countries, sharing the common experience of their linkage and helping them meet with potential counterparts for realizing investment and cooperation opportunities and to encourage them to invest in potential countries (ibid)

In order to meet its objectives, TUSKON uses different mechanisms. The first is Trade Bridge Programs. Trade bridge concept has been developed by TUSKON and consists of bilateral and business meetings, product exhibitions and complimentary field trips. Sending business delegations to potentially viable countries, seminars, workshops are some of the other methods through which TUSKON conducts its activities (ibid). One of such most common event is the bilateral trade and investment forums organized at different times with participation of ministers, representatives of leading corporations, government officials and leaders of civil society organizations. A majority of such delegations used to be led by the President or relevant Turkish cabinet members.

According to Mr. Gurbuz Ozekan, Deputy Director of TUSKON representation office to African Union, the organization has significantly contributed to Turkey-Africa/Ethiopia relations through trade and investment bridging. The director further explained:

It should be noted that without good economy you would not have good relations. Therefore, TUSKON is strengthening relations between Africa and Turkey through business linking. Our organization has business partnerships with fifty African countries. Its African office is in Addis Ababa, as the city is headquarters of the African Union. TUSKON has strategic partnerships with AU, MFA (Ethiopia) and ECCSA. We have accomplished many projects; bringing delegation from Africa to Turkey, providing trainings and arranging B2B meetings etc.

We have brought many investors here (Ethiopia), and some of them are investing while others are looking to invest. So far, we have arranged various business forums. For instance, last year we have arranged a trade forum in Prime Minister Office. In Ethiopia, Turkish investors are leading in capital size. This is partly the result of the work done by TUSKON. Therefore, we play the role of linking African people with Turkey through business (Gorbuz, March 3, 2015).

From the interview above, it is clear that TUSKON has been one of the most influential institutions making Turkey's relations with Africa in general and with Ethiopia in particular more beneficial.

Both Ethiopian and Turkish high officials appreciated the contributions of TUSKON. For instance, Prime Minister Hailemariam Dessalegn (2014) characterized Ethiopia's institutional engagement with TUSKON as a 'particularly edifying experience that TUSKON had helped Ethiopia to draw lessons from Turkey's economic development and transformation and to offset weaknesses in Ethiopia's approach towards the islands of sustainable development and transformation. The Prime Minister further argued

Turkish companies had become major contributors to Ethiopia's rather impressive growth and development narrative. TUSKON's engagement with Ethiopia, the established market networks of Turkish companies and their immense experience in manufacturing and other priority areas would pave the way for the collective rejuvenation and development of Ethiopia and Turkey (ibid).

However, in recent times a disagreement between AKP party and Gulen movement has deteriorated the relations between current government of Turkey and TUSKON. This was due to the stance of the Turkish government that the TUSKON has connection with the Gulen movement. As a result, the government has been trying to establish new institutional mechanisms that would play similar roles. Regarding this, during January, 2015 visit to Ethiopia, Erdogan, Turkey's President asked the government of Ethiopia to halt relations with the so called 'parallel state institutions: which tacitly has included TUSKON (Girum, 2015).

Despite emerging clouds that might overshadow the future activities of TUSKON, the organization represents one of the few key institutions that has been playing a dual role in Ethiopia

and Turkey relations; one in boosting up economic relations mainly through investment and Trade and the other through enhancing people to people interactions.

Another institution that promotes Ethiopia-Turkey economic relations is the Turkish office of Commercial Counsellor. The office is the extension of Ministry of Economy of Turkey. The purpose of the office is to guide Turkish businesspersons on commercial economic activities, and giving information about investment environment in Ethiopia. These include investment opportunities, laws/regulations, custom, import and export (Zulfikar, 2015). In other words, by guiding businesspersons from Turkey about investment opportunities and laws in Ethiopia, the office contributes to FDI flow from former to the latter.

In order to smoothen business for Turkish investors, the office works with other stakeholders from Ethiopia such as MFA, Investment Commission, Ministry of Energy; Culture, Defense, Industry, Trade; ECCSA, Ethiopian Textile development Institute and other relevant institutions (ibid). Therefore, all these institutions can be included within the broad institutional framework of Ethiopia-Turkey economic relations.

In general, the post- 1991 strong economic relations between Ethiopia and Turkey are laid down based on bilateral legal and institutional frame works put in place through various agreements reached between the two countries.

4.3. Trade Relations

As mentioned in previous chapter, Ethiopia and Turkey have commercial relations which go back to sixteenth century. Historically, Coffee and Slaves were the major ‘trade items’ exported from ancient Ethiopia to the then Ottoman Turkey. Today, surprisingly both Ethiopia and Turkey are both Exporters of Coffee though the latter still imports some from the former. Slavery was abandoned from international trade centuries ago and hence other commodities have occupied the substance of the bilateral trade.

Today trade relations between Ethiopia and Turkey involve a two way exchange of variety of commodities. The bilateral trade has been expanding both in volume and variety as a result of cordial economic relations maintained since 1991. The trade growths have been accompanied with significant, yet unequal growth of imports and exports. The overall trade relations are categorized into two as discussed below.

4.3.1. Ethiopian Exports to Turkey

Generally speaking, Ethiopia exports primary agricultural products to Turkey. Turkey is one of Ethiopia's major export destinations, among others, being one of the top most buyers of Ethiopian sesame (The Ethiopian Herald, 2015). The main export items from Ethiopia to Turkey are vegetables (sesame, oil seeds) and animal products, leather and leather products, textile and ready-made clothes, paper and plastic products.

In 2014, the major export items from Ethiopia to Turkey included, Oil seeds and oleaginous fruits; miscellaneous grains, and fruit; industrial or medicinal plants; straw and fodder seeds , dried kidney beans, white pea beans, Sesame seeds and combed single cotton yarn. Moreover, dried leguminous vegetables, dried lentils, dyed woven fabrics, artificial filaments, dried chickpeas and Man-made filaments; strip and the likes of man-made textile materials were among items that Ethiopia exported to Turkey.

Even though the export items showed slight diversification over last few years, the bulk of Ethiopia's export to Turkey still consists of primary agricultural products. Sesame seeds were the leading export earning item from 2010-2013. However, in 2014 Oil seeds and oleaginous categorized under 'other' took the lead in export value followed by dried kidney beans moving down Sesame seeds to the third rank. The export earning value of leading products for 2014 were much lower than the preceding year.

In 2013, Sesame seeds led export earnings with USD 38,755,615.32 which was much higher than USD 27,126,425.37 earnings of 'Other', the leading export item for 2014. This was mainly due to fall in trade volume in general and export in particular (see Table 4.1. below for major export items in terms of Value and rank)

Table 4. 1. Ethiopia's major Export to Turkey by FOB Value in Mill. USD and Rank from 2010-2104.

Years	Rank	Ethiopia-Turkey Export data		
		HS Code	HS Description	CIF Value in USD
2014	1	12074090	--OTHER	27,126,425.37
	2	07133300	Dried kidney beans, incl. white pea beans, shelled	6,146,443.47
	3	1207400	Sesamum seeds	5,821,858.41
	4	52052200	Combed single cotton yarn, with >=85% cotton, nprs, >14mn but <=43mn	5,645,958.62
	5	52053200	Uncombed cabled cotton yarn,>=85% cotton,nprs,>14mn but<=43mn p.single yarn	2,641,409.7
2013	1	1207400	Sesamum seeds	38,755,615.32
	2	07133300	Dried kidney beans, incl. white pea beans, shelled	8,021,734.08
	3	52053200	Uncombed cabled cotton yarn,>=85% cotton,nprs,>14mn but<=43mn p.single yarn	4,809,244.23
2012	1	12074000	Sesamum seeds	26,959,186.64
	2	07133300	Dried kidney beans, incl. white pea beans, shelled	5,555,063.64
	3	52052300	Combed single cotton yarn, with >=85% cotton, nprs, >43mn but <=52mn	2,367,085.27
	4	52052200	Combed single cotton yarn, with >=85% cotton, nprs, >14mn but <=43mn	1,916,144.16
	5	07139000	Dried leguminous vegetables, shelled, nes	1,860,311.01
2011	1	12074000	Sesamum seeds	19,287,323.29
	2	52093900	Dyed woven cotton fabrics, with >=85% cotton, >=200g/m2, nes	3,876,521.79
	3	54082200	Dyed woven fabrics, >=85% artificial filaments	2,637,948.27
2010	1	12074000	Sesamum seeds	9,016,967.49
	2	0713400	Dried lentils, shelled	4,297,600.44
	3	52093190	--- OTHER PLAIN COTTON FABRICS WITH >=85 COTTON >=200 G/M	2,098,234.71

Source: Ethiopian Revenues and Customs Authority (ERCA) Import-Export data from 2010-2014

On the other hand Ethiopia's exports to Turkey have been continuously growing in volume since 2002. The export reached a maximum value of USD 77.3 Million in 2013, from only USD 5.8 Million in 2002. However this value fell by 12.3 % and became USD 68 Million in 2014.

Even though the export has been increasing generally, for some years the export value fell. For instance, for the years 2005, 2006, 2009 and 2014 showed a percentage decrease of 10.69, 6.33, 23.45 and 12.03 respectively. During the years under consideration the lowest growth (-23.45%) was registered in 2009 while the highest export value (112.03%) was recorded in 2007. It is surprising that the highest growth was registered after a decrease of (-6.33%) has been registered in its preceding year (2006). The average annual export growth from 2002-2014 was 28.91%.

In conclusion, two points can be made regarding Ethiopia's exports to Turkey since 2002. Firstly, with a slight diversification, export has been dominated by few agricultural products. Secondly, the volume and earning value of Ethiopia's Export to Turkey generally grew since 2002 with minor fluctuations from year to year.

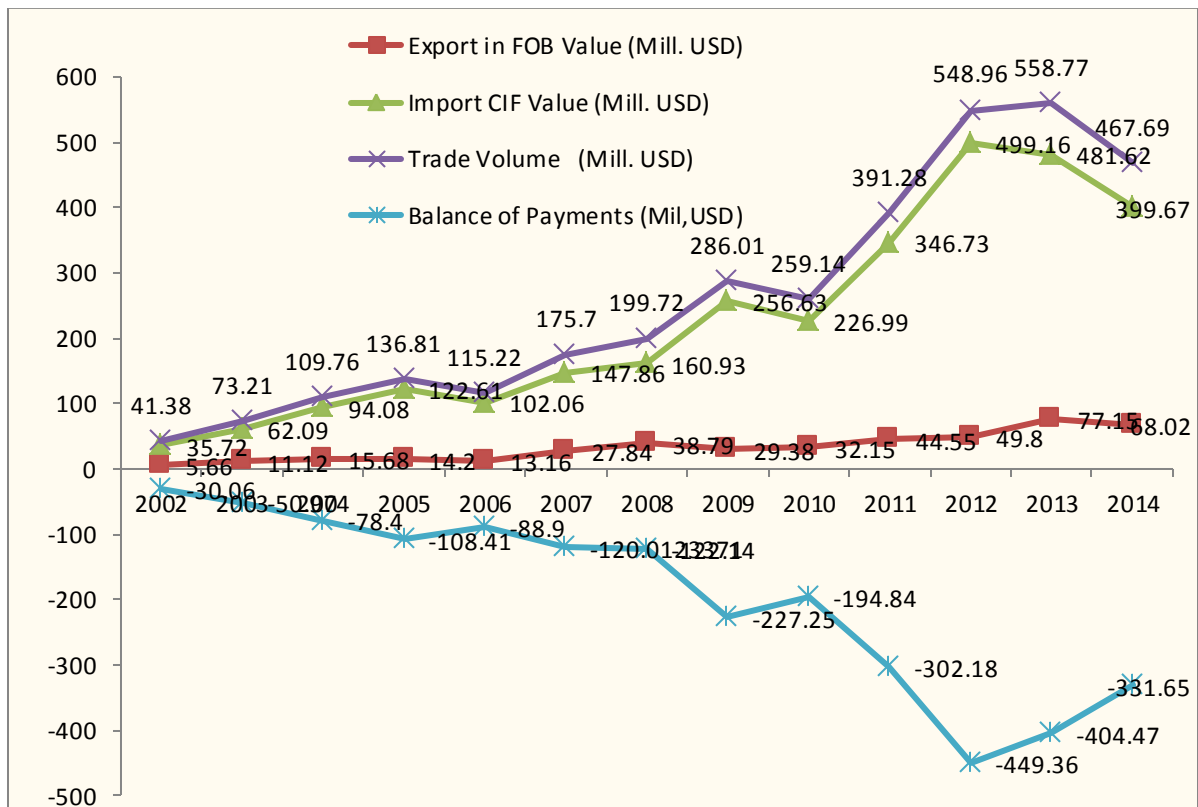
4.3.2. Ethiopian Imports from Turkey

Turkey also has a strong trade partnership with Ethiopia. Since 2002 the size of Ethiopia's Imports from Turkey has been increasing. The average import growth for last ten years (2004-2014) was 27.65%. In the fiscal year 2012/13, Turkey was the fourth largest European country in terms of export size to Ethiopia. During the year Turkey has a share of 19.2% out of a total 79.2 percent of import origins of four major European countries (NBE, 2013:87-88)

The highest annual import growth (76.01%) was registered in 2007 while the lowest import growth (-19.26%) was registered in 2014. However, for the years 2006, 2010 and 2014 the import size fell from the preceding years.

More importantly, there has been a slight diversification of import items over last fourteen years. Main import items from Turkey to Ethiopia are metals and metals products, machinery and aircraft equipment, and mechanical and electrical devices. Specifically, they are related to Iron/steel bars and rods; Wires of refined copper; cross-sectional fittings for tubes; pipes and hoses, Semi-products of iron or non-alloys, Co-axial cable and other electric conductors, Rope or cable-making machines and Textile spinning machines.

Figure 4.1 Summary of Ethiopia-Turkey Bilateral trade analysis by year and value



Source: Ethiopian Revenue and Customs Authority Import-Export Data from 2000-2014

For last four consecutive years Iron/steel bars & rods were the leading import items in terms of CIF value earning. The CIF value of Iron/steel bars & rods grew from USD 41,937,434.14million in 2010 to USD 137,439,413.82 million in 2014. However, this is much lower than CIF value of the same product for 2012, which was USD 198,982,416.70Million.

In general, even though there have been diversifications in import items from Turkey from year to year, the import have been dominated by few products for last four years.

Table 4.2. Ethiopia's major import items to Turkey value in USD Mill. by Year and rank

Years	Rank	Ethiopia-Turkey Import data		
		HS Code	HS Description	CIF Value in Million USD
2014	1	72142000	Iron/steel bars & rods,hotrolled,twisted/with deformtns from rolling proc.	137,439,413.82
	2	74081900	Wire of refined copper, maximum cross-sectional dimension =<6mm	26,418,579.92
	3	39174000	Fittings, for tubes, pipes and hoses, of plastic	10,308,419.28
	4	72072000	Semi-products of iron or non-alloy steel, >=0.25% carbon	9,876,609.68
	5	85442000	Co-axial cable and other co-axial electric conductors	8,528,399.53
2013	1	72142000	Iron/steel bars & rods,hotrolled,twisted/with deformtns from rolling proc.	103,706,158.31
	2	84794000	Rope or cable-making machines	56,396,961.72
	3	72149900	Iron/steel bars and rods, hot-rolled, hot-drawn or hot extruded, nes	51,880,177.13
	4	74081900	Wire of refined copper, maximum cross-sectional dimension =<6mm	17,197,108.74
	5	73089090	--- Structures and parts of structures, nes of iron or steel	11,468,029.21
2012	1	72142000	Iron/steel bars & rods,hotrolled,twisted/with deformtns from rolling proc.	198,982,416.70
	2	73089090	--- Structures and parts of structures, nes of iron or steel	16,071,186.64
	3	72139100	Hotrolled iron/steel bars &rods,in coils,circular cross-sect<14mm diameter	12,439,741.30
2011	1	72142000	Iron/steel bars & rods, hotrolled, twisted/with deformtns from rolling proc.	113,933,304.52
	2	72141000	Iron or non-alloy steel bars and rods, forged,	10,951,427.00
	3	84483200	Parts and accessories of machines for preparing textile fibres, nes	7,537,731.44
2010	1	72142000	Iron/steel bars & rods,hotrolled,twisted/with deformtns from rolling proc.	41,937,434.14
	2	85043300	Transformers, nes, power handling CAPACITY 16-500KVA	33,743,524.51
	3	72141000	Iron or non-alloy steel bars and rods, forged,	8,624,637.86

Source: Ethiopian Revenue Customs Authority Import-Export Data from 2010-2014

4.3.3. Trade Balances

One significant indication of the developing relations between Ethiopia and Turkey is the fast increase in the trade volume of registered goods during last thirteen years. The volume of trade was USD 41 million in 2002, USD 115.22 million in 2006, and USD 259.14 million in 2010 and USD 467.69 at the end of 2014.

Despite the fast growing bilateral volume of trade, there is imbalance between import and export size. That is, much volume of trade is covered by Turkey's export to Ethiopia. For the aforementioned years the share of Ethiopia's export to Turkey to the total volume of trade was 13.7%, 11.4%, 12.4% and 14.5% respectively. Quantitatively speaking, the share of Ethiopia's exports to Turkey is less than a quarter to the total volume. The main reason for trade imbalance is due to high price difference between import and export. Ethiopia mainly exports agricultural products of low price and imports high priced manufactured goods.

Looking at imports and exports data of the two countries it is possible to visualize the disproportionate balances towards Turkey. In 2002, Trade deficit (Export-Import) for Ethiopia was USD -30Million. This amount grew to USD -331.65Million in 2014. The trade deficit has continuously expanded from 2002 to 2014 except for 2006, 2010 and 2014 where deficit was slightly less.

The bilateral Trade data shows that, the highest deficit (USD -449.36Million) was registered in 2012. On the other hand, a lowest deficit (USD -30 Million) was registered in 2002. From 2002 to 2014, the average growth of deficit (27.3%) was higher than average growth of trade volume (26%) showing unfavourable growth of trade for Ethiopia. (See Table 4.3. below for overall trade balance from 2002 to 2014.)

As shown in table 4.3 since 2002 the trade volume (i.e. import +export) between the two countries has shown an increase in general with slight fluctuations from year to year. For example, the trade volume of year 2005 is higher than its succeeding year 2006; similarly, the trade volume of 2009 and 2013 are higher than its succeeding years 2010 and 2014 respectively.

In general, although the trade balance is unfavourable for Ethiopia, export has been significantly increasing both in volume and in foreign exchange earning value during the years under consideration. The earning of Ethiopia's export to Turkey grew from USD 5.6 million in 2002 to USD 68 Million, in 2014 depicting over twelve times increase. Similarly, Import

grew from USD 35.7Million to USD399.6Million showing eleven times higher growth over twelve years.

Trade volume grew by over eleven times from 2002 to 2014. However, the asymmetrical growth of imports and exports resulted in widening of trade deficit for the reviewed years. Briefly, the trade volume of the two countries is, big and in favor of Turkey. See fig below for import, export and deficit growth from 2002 to 2014.

Table 4.3. Ethiopia-Turkey Total trade volume, Balance of payments, annual trade and deficit growth by year from 2002- 2014

Year	Export in FOB Value(Mill.US)	Import CIF Value(Mill.US)	Trade Volume (Mill. USD)	Annual Trade Volume Growth %	Trade Balance (Mill. USD)	Annual Deficit Growth in %
2002	5.66	35.72	41.38		(30.06)*	
2003	11.12	62.09	73.21	76.92	(50.97)	69.56
2004	15.68	94.08	109.76	49.92	(78.40)	53.82
2005	14.20	122.61	136.81	24.64	(108.41)	38.28
2006	13.16	102.06	115.22	(15.78)	(88.90)	(18.00)
2007	27.85	147.86	175.71	52.50	(120.01)	35.00
2008	38.79	160.93	199.72	13.67	(122.14)	1.77
2009	29.38	256.63	286.01	43.21	(227.25)	86.06
2010	32.15	226.99	259.14	(9.39)	(194.84)	(14.26)
2011	44.55	346.73	391.28	50.99	(302.18)	55.09
2012	49.80	499.16	548.96	40.30	(449.36)	48.71
2013	77.15	481.62	558.77	1.79	(404.47)	(9.99)
2014	68.02	399.67	467.69	(16.30)	(331.65)	(18.00)
Total	427.51	2,936.15	3,363.66	26.04	(2,508.64)	27.34

Source: Ethiopian Revenue and Customs Authority (ERCA), Ethiopia-Turkey Trade data FROM 2002-2014.

* In the whole table values with Bracket shows negative numbers.

4.4. Investment Relations

Bilateral investment relations between Ethiopia and Turkey are one of the strongest and rapidly growing areas of partnership. In Africa, Ethiopia is the third FDI destiny for Turkey next to Egypt and Algeria. On Ethiopia, Turkey is the leading country in terms of FDI flow by capital size.

Various factors have contributed to put bilateral investment relations to such higher levels. The Institutional and legal frame works (discussed above) obviously played a critical role in the growth of bilateral investment relations. In addition, other political, economic and social factors created enabling environment for FDI flow from Turkey to Ethiopia. Some of these factors are discussed below.

4.4.1. Trends of Turkish FDI Inflow to Ethiopia

Although FDI inflow from Turkey to Ethiopia has been increasing since 1991, remarkable growths were registered only after 2002. Until 2004, only two Turkish projects were licensed to operate in Ethiopia with the capital of 2,300birr and creating employment for twenty persons (Ethiopian Investment Commission (EIC), 2015). This number increased to five in 2005, with total capital size of Birr 62,300 and employing 390 persons. In 2007, the number of total projects increased to 27 showing a dramatic growth of 440% over two years. The capital size of operation and employment created by the companies for the year 2007 was Birr 6, 191, 82 and 5,991 individuals respectively (Ibid).

The rapid increases in FDI during the years were attributed to three main factors. Firstly, the 2005 policy of 'Year of Africa' put Africa under Turkish investment radar. As a result, Turkish investors began to study and start businesses in Africa. Ethiopia was one of few African countries that became the destiny for Turkish investors. Ratification of two investment related bilateral agreements; Reciprocal Promotion and Protection of Investment and, the Agreement for the Avoidance of Double Taxation with Respect to Taxes on Income in 2003 and 2005 respectively are the major reasons for increase in FDI during the above years. Thirdly, opening of Ethiopian Embassy in Ankara in 2006 facilitated investment promotion and recruitment Hence there was an increase in the number of investors coming to Ethiopia. Regarding this, President Mulatu Teshome (then Ethiopian Ambassador to Turkey) argued:

If we did not open our Embassy in Istanbul, we would not have been able to see even a single Turkish company operating in our country. From the biggest

one, Ayka Addis, to the smaller ones, they came here after our decision to operate there by reinstating our own embassy. Before opening the embassy, there were only two Turkish companies in Ethiopia (The Ethiopian Reporter, 2014).

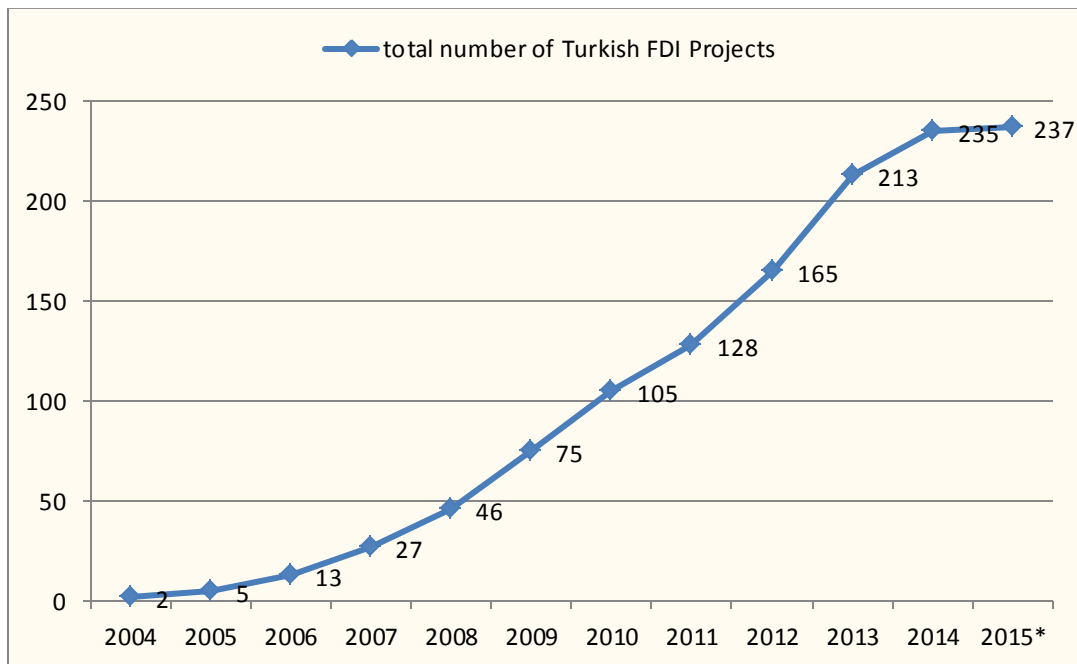
As a result of this the number of licenced Turkish investors grew from only two in 2005 to 237 in the year 2015. The growth over three years (2008-2010) was 128%, which was above 100% in a decade. In addition to the opening of embassy, the 2008 Turkey-Africa Partnership was another major contributing factor for the progress registered over the years. In addition, ratification of the Protocol on Technical, Scientific and Economic Cooperation in the field of agriculture in 2008 positively contributed to increased investment partnership, which manifested itself in continued increase of FDI inflow from Turkey to Ethiopia.

The growth also continued after 2010. However, for first time since 2002 the number of licensed project for the year 2011 (23) were lower than previous year (30 projects licensed in 2010). This was mainly attributed to political and economic crisis during 2011 election crackdown in Turkey. In 2013, 48 new projects were licensed marking the largest ever since 2002. This number decreased to 22 new projects licenced in the year 2014, marking the highest decline from previous year.

In general, until February 16, 2015 237 Turkish projects have been licensed out of which 86 are on pre-implementation status. During the same time, 106 projects had been operational while the remaining 45 are on implementation status.

The major Turkish firms in Ethiopia include, AYKA (Textile), ELSE (Textile), BMET (cable), MNS (home appliance and furniture), ETUR (Textile), OYAP/AKGUN (Industrial zone), SAYGIN (Textile), SELENDAWA, KUMTEK (home appliances), GIZAL (Textile), DEMKA (Textile) and ANGEL (textile labels). (See Annex 2, for major Turkish firms operating in Ethiopia from 2012-2014).

Figure 4.2. Trends of Turkish FDI to Ethiopia from 2003 to 2015*



Source: Ethiopian Investment Commission: Summary of Licensed Turkish Investment Projects by Year since Nov. 13, 2003 – Feb.16, 2015.

4.4.2. Factors behind Increasing Turkish FDI in Ethiopia

An observation of data on FDI reveals that inflow of the investment from Turkey to Ethiopia has been rapidly growing since the last two decades. The reason for the rapid increase during the period is due to enabling operating environments. According to EIC (2015: 3-15), conducive political and economic environment; improvements in infrastructures and utilities, financial services, and taxation policies; abundant supply of skilled workers at low wages cost; large market potential; and special business opportunities are the main reasons for the rapid increase of FDI inflow in to Ethiopia after 1991. Similarly, huge human resources of the country, peace and stability, good investment policy and broad market alternatives are the factors that have contributed to the increasing number of investors (FDRE, MFA, 2014).

Political stability and rapid economic growth registered in Ethiopia during last few years are the main factors that led to increased growth of foreign investors in to Ethiopia in general and from Turkey in particular. In addition, bilateral trade and investment agreements together with institutions created by those agreements have been serving as lubricants in expanding the bilateral trade and investment relations. Besides tax and institutional reforms in the areas of investment, emphasis on economic diplomacy, demographic and geographical inputs are

among the factors that have created the good investment opportunities for Turkish firms in Ethiopia.

Politically, the country has achieved remarkable stability after 1991. It has maintained good relations with its neighbours, saving the 1998-2000 and 2006-9 wars respectively, with Eritrea and Courts of Islamic Union based in Somalia. Internally the country has been stable except for a few political crackdowns such as the one during 2005 election. Such stability in conflict prone Horn of Africa has brought the country a good image and hence increased tourist and FDI inflows.

In addition, Foreign and National Security Policy and Strategy, which gives special attention to economic diplomacy, have played a vital role in attracting FDI to Ethiopia. Turkish Embassy in Addis Ababa and the FDRE government are aggressively lobbying Turkish companies to come to Ethiopia. Formulation and implementation of economic policies have been influencing in various sectors of economy including FDI and foreign trade. Economic growth is the major factor for FDI inflow to Ethiopia. Ethiopia has made a considerable progress in economic and social development since 1992, implementing of favourable policies and strategies that are instrumental for improving the national economy.

The Rural Development Policy and Strategy, the Industrial Development Strategy, and other sectorial policies and strategies have initiated a new push towards creating frame works conducive for economic and social development (EIC, 2015:6). Specifically, the Industrial Development Strategy focuses on export manufacture with priority given to textiles, and garments, agro processing and small and micro-enterprises. The Turkish investors are largely engaged in these sectors, which is one indication of the impact of policy on FDI inflow.

Furthermore, favourable investment laws have been another major factor for growth of FDI in Ethiopia. According to Aklilu Wolde-Mariam, Director of Information at the Ethiopian Investment Agency, Ethiopia is endowed with ample investment opportunities, incentives, effective services and transparent legal frameworks to protect investors from expropriation or nationalization' (ibid). Mr. Rizanur Merel, President of TUSKON, also described Ethiopia as "a shining star of Africa" and as a state committed to maintain the momentum of economic development with large scale investment and business potential for both Turkish and international investors (ibid).

In addition to favourable operating environments, Turkish firms have another opportunity in Ethiopia: their geographical and religious ties with the region. “The Middle East and Africa are a natural hinterland for Turkish constructors; we have a history of very good contacts. The Ottoman presence in some of these countries, the shared Islamic religion, the similar ways of working...they give us an edge that no doubt can play a role in winning a contract” (Financial Times, 2012). Turkey had oldest historical relations with Ethiopia compared to other major FDI sources to Ethiopia such as China, USA and India. Clearly, such advantages provide special opportunities for Turkish investors.

In short, due to the investment-friendly environment created in Ethiopia the inflow of FDI in to Ethiopia has generally been increasing over the last ten years. Sticking to this trend, Turkish Foreign Direct Investment (FDI) to Ethiopia is leading the group of emerging economies that have expanded its interests in investment opportunities in Ethiopia.

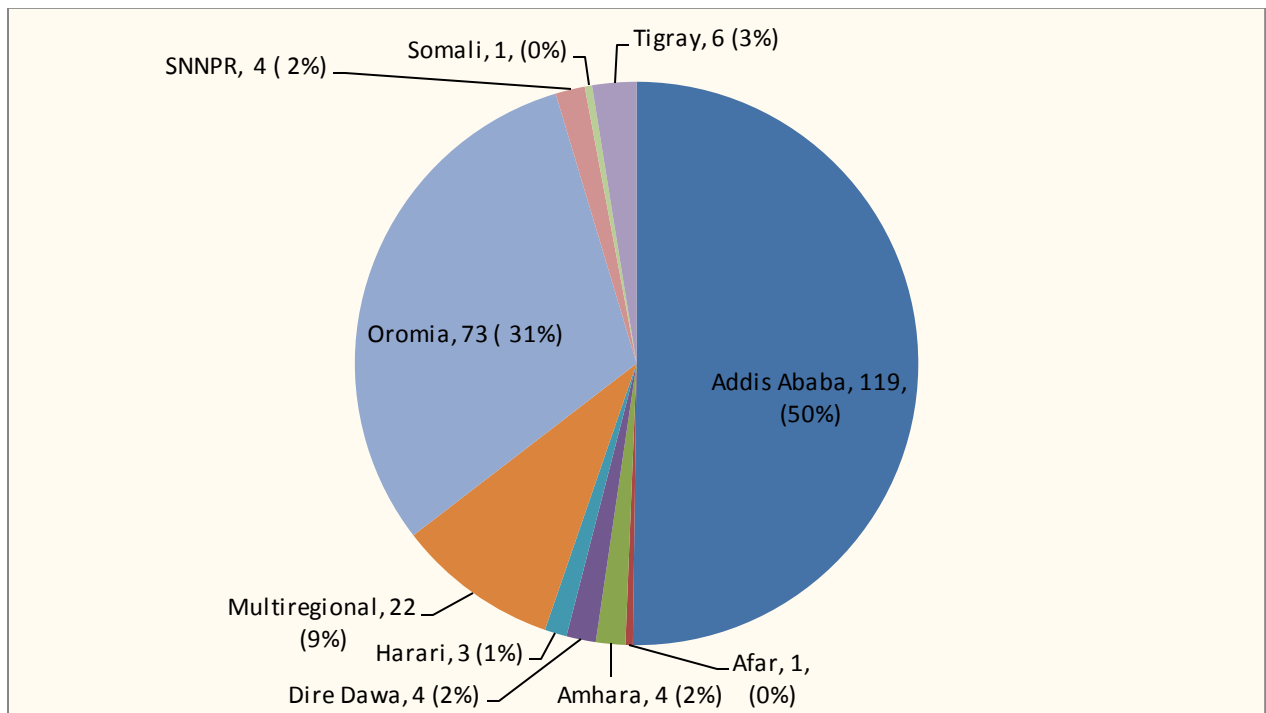
4.4.3. Regional Distribution of Turkish FDI in Ethiopia

In Ethiopia Turkish FDI, projects are distributed across all regions except Benshangul Gumuz, and Gambela Regional States. However, two regions, Addis Ababa and Oromia, incorporate more than eighty percent of total FDI projects licenced in Ethiopia since 2002.

In Ethiopia, half of Turkish investments are located in Addis Ababa. Out of Two Hundred Thirty Seven One hundred and ninety nine are found in the Capital. Oromia is the second largest destination for FDI in Ethiopia. There are seventy-three Turkish investment projects in the Oromia Regional State. This makes the Region to appropriate thirty one percent of Turkish FDI destiny in Ethiopia. Twenty-two (9%) projects are multi regional while the remaining Ten percent of are distributed across seven regional states.

In short, Turkish FDIs are distributed across most Regional States of Ethiopia. However, the majority of the investment projects are concentrated around the capital. This is partly due to lack of developed infrastructures in other regions and partly due to availability of skilled work force in the capital and its surrounding region.

Figure 4.3. Turkish FDI projects in Ethiopia by region as of February 16, 2015



Source: Ethiopian Investment Commission (EIC): Summary of Licensed Turkish Investment Projects by region Since November 13, 2003 - February 16, 2015.

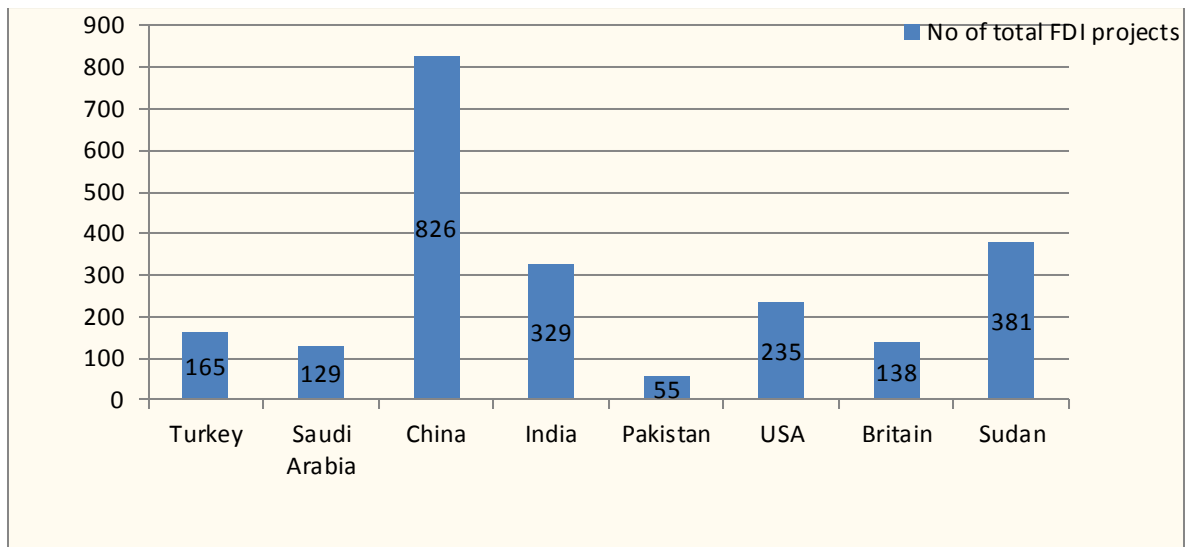
4.4.4. Turkey's FDI by Investment Sectors and Capital in Ethiopia

As of February 2015, there are total of Two Hundred Thirty Seven Turkish owned projects in Ethiopia out of which one hundred sixty five are fully owned by Turkish investors. There are fifty-two projects jointly owned by Ethiopia and Turkey. Twenty projects are licensed as joint ventures for Turkey and other countries.

Most of the Turkish investors are engaged in Agriculture and Manufacturing sectors. Out of these sectors, textile and construction sectors are the dominant ones. Out of a total Turkish projects, One Hundred Forty Seven (62%) are engaged in Manufacturing followed by Construction (14%), Real estate (12%) and Agriculture (7%).

The other major sectors that Turkish companies have been investing on are Real estate, Machinery and Equipment Rental and Consultancy Service, Education, Tour Operation and , Transport and Communication.

Figure 4.4 The top eight FDI source countries of Ethiopia by number of projects as of February 2015*



Source: Ethiopian Investment Commission (EIC): Summary of Licensed Foreign Direct Investment (FDI) Projects by Country of Origin and Status since August 22, 1992 - February 16, 2015. *The data excludes Joint Venture projects.

Since recently, Turkish investors in Ethiopia are expanding to new areas of investment. In addition to the sectors they are already engaged in, the investors have the desire to invest in power generation, food processing and the manufacturing sector, which are the priority areas of the government of Ethiopia.

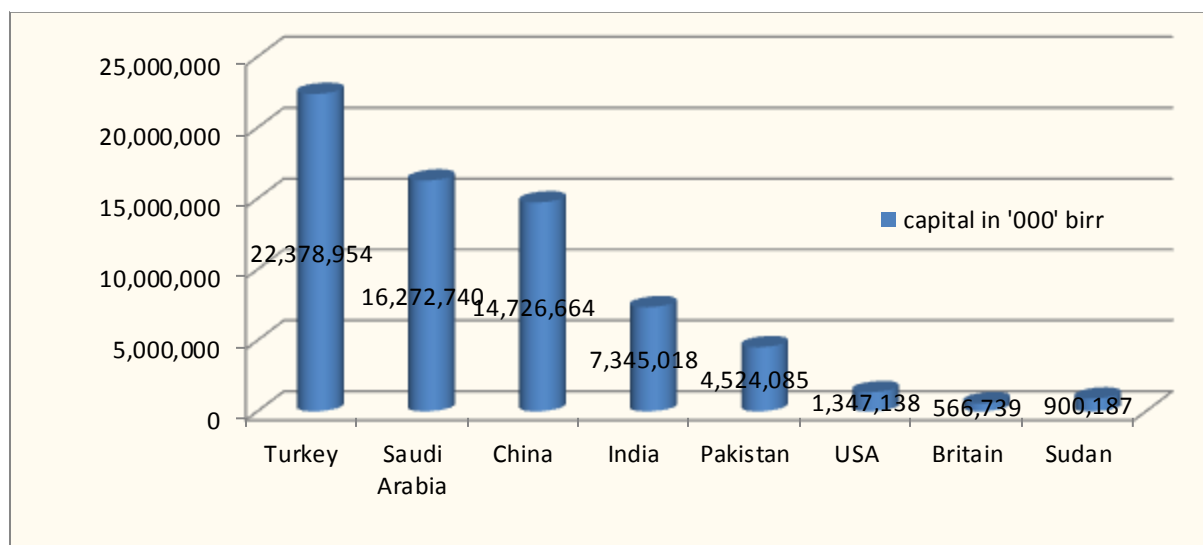
In terms of Capital size, Turkish Foreign Direct Investment (FDI) to Ethiopia is leading the group of emerging economies that have shown interest in investment opportunities in Ethiopia. By the end of 2014, the total amount of investment by the Turkish firms in Ethiopia was 22,378,954.2 billion ETB. Saudi Arabia, China and India rank from the second to fourth with a total capital size of, 16,272,740; 14,726,664 and 7,345,018 birr respectively. With total FDI, capital of 4,524,085-birr Pakistan is the fifth largest investing country in Ethiopia.

Table 4.4. Summary of Licensed Turkish Investment Projects by Sector and Status since November 13, 2003 - February 16, 2015

Sector	Implementation	Operation				Pre Implementation	Total
	No of Projects	No of Projects	Capital in '000' Birr	Perm Empl.	Temp Empl.	No of Projects	No of Projects
Agriculture	6	2	74,000	70	249	8	16
Manufacturing	27	73	23,316,414	12,701	4,026	47	147
Education	2	1	2,000	10	20	2	5
Hotels& related		4	23,123	45	25	1	5
Real estate, Machinery and Equipment Rental and Consultancy Service	5	14	64,595	185	201	10	29
Tour Operation, Transport and Communication						1	1
Construction Contracting Including Water Well Drilling	5	12	431,039	519	3,224	16	33
Others*						1	1
Grand Total	45	106	23,911,171	13,530	7,745	86	237

* Recreation and Gymnasium Center & Eco-Lodge Development, Physical Fitness, Skin Health Care and Massage Service, Export of Leather (Crust and Above Level), Import of Chemicals for Leather Industry/Through Bonded Warehouse System/ , Importation of LPG and Bitumen, etc. It is important to note here that Turkey is leading its competitors such as USA, China and India which have not only better economies than the former but also older in establishing investment relations.

Figure 4.5. The eight largest source of FDI to Ethiopia by Capital size by end of 2014*



Source: Ethiopian Investment Commission (EIC), 2015: Ethiopian Investment Commission (EIC): Summary of Licensed Foreign Direct Investment (FDI) Projects by Country of Origin and Status since August 22, 1992 - February 16, 2015. *The data excludes companies that are under Joint venture.

Turkish FDI capital inflow to Ethiopia is proportionally increasing with a growing number of projects. The capital size of Turkish FDI to Ethiopia grew from only 23million ETB in 2003 to 23.9 Billion ETB in February, 2015. In a nut shell, for last fourteen years Turkish FDI in Ethiopia has been expanding to new sectors and in to new height. .

4.4.5. Benefits of Turkey FDI for Ethiopia

Turkish investments in Ethiopia have brought many benefits like Employment and capital creation, Technology Transfer and export earnings to Ethiopia.

One of the most common reasons that influence countries to promote FDI is often to reduce unemployment. Turkish FDI to Ethiopia has significantly contributed to reduce unemployment in Ethiopia. According to February,2015 data of EIC, Turkish FDI have created employment opportunities for 21,275 individuals out of which 13,530 are permanent while the remaining 7745 are temporary jobs. Besides, the amount of Turkish FDI capital in Ethiopia reached 23.9Billion ETB. However, the benefits are unevenly distributed across regions (See Table 4.5 below).

The capital investments of FDI in each region are proportional to number of projects in the region. According to data from EIC (Feb 2015), Turkish FDI in Addis Ababa, Oromia and regions have created a capital of ETB 16,413,655, 6,021,907 and 1,405,582 respectively. Tigray, Amhara and SNNPR rank fourth to sixth, in order. However, in terms of total employment (temporary and permanent) creation, Oromia leads with 14055 employment opportunities followed by Addis Ababa 6001 and other regions with 981. Tigray, Amhara and SNNPR follow by 130, 100 and 8 respectively, during the period under consideration. Moreover, the railway to be built from Awash to Woldiya by the Turkish company Yapi Merkezi will create more than 10,000 jobs (All Africa.com News, September 25, 2014).

Regarding the benefit of employment creation, Perisident Mulatu Teshome, stated:

The biggest advantage we can actually generate from investment is employment opportunity. For instance, if we see Ayka, its factory is laid on 15 hectares of land. If we gave this land for 15 individual farmers, each would get a hectare of this land. Imagine, today Ayka has around 10,000 workers. You can also imagine how much each worker pays tax to the government (Today's Zaman, 2007).

According to Ato Sisay Tsegaye, Senior Investment Promotion Officer at Ethiopian Investment Commission, Turkish investors are largely involved in labor-intensive sectors such as textile and constructions. These have the advantage of employing a large number of laborers (Sisay, February 25 2015). Currently, Turkish firms employ highest number of workers in private sector in Ethiopia.

The advantage of technological transfer is visible in textiles and constructions. Ethiopia gives attention to transfer skills and technology that would transform its agrarian economy. Towards this end, large numbers of trainees from various Technical Vocational and Education Training (TVET) institutions are attached to various industries as part of their internship program. Currently technology transfer is one of the main objectives of TVET institutions in Ethiopia. Hence, Turkish FDIs are one of the few most appropriate stakeholders towards fulfilment of this goal. Thus, the investors who have created for over 20,000 jobs for Ethiopians are also playing a significant role in the transfer of skill and technology. In addition, earning export income is the other advantage from FDI inflow from Turkey.

Table 4.5. Turkish FDI capital and employment creation in Ethiopia by regions

Regions	Total Number of Projects	Capital in '000' Birr	Perm Empl.	Temp Empl.	Total employment
Addis Ababa	119	16,413,655	1,982	4,019	6001
Afar	1	-	-	-	-
Amhara	4	11,000	80	20	100
Dire Dawa	4	-	-	-	-
Harari	3	-	-	-	-
Multiregional	22	1,405,582	498	483	981
Oromia	73	6,021,907	10,877	3,178	14055
SNNPR	4	6,000	8	-	8
Somali	1	-	-	-	-
Tigray	6	53,027	85	45	130
Grand Total	237	23,911,171	13,530	7745	21275

Source: Ethiopian Investment Commission (EIC).

4.5. Development Finance

There is no consensus in defining the term Development Finance. Yet, one of the most common definitions of the term is that of the Official Development Assistance (ODA). Organization for Economic Cooperation and Development (OECD defines Development Finance as:

‘The inflow of resources to recipient countries which includes , bilateral official development assistance (ODA), grants and concessional and non-concessional development lending by multilateral financial institutions, and Other Official Flows for development purposes (including refinancing Loans) which have too low a Grant Element to qualify as ODA’ (OECD, 2015).

The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), defines the term as: *access to financial and support services for*

the underserved, the strategic and priority areas of a country in order to achieve sustainable growth of the economy and thereby assure a more equitable distribution of the benefits of progress and a better quality of life for its people (ADFIAP, 2014).

According to this definition, underserved areas are those where financial institutions are not sufficient, unable or unwilling to service the needs of the real sector. Strategic are areas of development or projects identified by the government and/or the private sector necessary for the country's progress and prosperity while priority areas are specific projects that, by their very nature, should first be attended to for the benefit of particular communities or sectors. The constructing of definition by ADFIAP clearly shows a varied understanding on what constitute development financing.

Within the context of this study, three major domains explain Ethiopia and Turkey development finance relations. The first domain covers various development projects run by TIKA and its affiliated organizations in Ethiopia. The second domain covers various development support provided by Turkish government and institutions. The third domain is the humanitarian assistance of are types from Turkey to Ethiopia.

TIKA represents the official development assistance agency of Government of Turkey. Since its establishment in Ethiopia (2005), TIKA has been implementing many development projects in Ethiopia. According to Mr. I Durhat., TIKA's Ethiopian Office Coordinator, the organization has projects in Addis Ababa, Oromiya, Somali, Afar, Dire Dawa, Harar and Tigray. Mr. Durhat further explained that the projects include among others, Education, drinking water, Agriculture, Capacity building, health and cultural heritages. Besides, it provides humanitarian aid for people in need (Durhat, March 3 2015).

These projects are distributed across six regions as mentioned above based on demand from society and government. The coordinator of the project also mentioned recent projects implemented by TIKA such as school laboratory aid to Abadir School (Addis Ababa) and a school in Robe Town, Live Cattles donated to forty poor individuals at Bale Robe (Oromiya Regional State) and two ambulances given to Jegol Hospital in Harar and renewal of the first Turkish consulate office in Harar and Nejashi Mosque in Mekelle. Besides, TIKA has financed pump water project at Kofale District in Oromia Regional State (320KMs South East of Addis Ababa) and School material support for Somali Communities at Jomo, and Birhan Guzo Primary School, both in Addis Ababa⁶

Under ‘African Development Programme’ by TIKA, Ethiopia has taken part in the Training of Trainer courses under the ‘Development of Agriculture in Africa Project’, which was held from 11 May to June 20 2009. In addition, TIKA in collaboration with Istanbul municipality donated a water drill to the Ministry of Water Resource of Ethiopia (Turkey-Africa Ministerial Review Conference (AGM), 2011: 38).

Apart from various projects run by TIKA, Turkish government has provided technical support to Ethiopia. For instance, in 2008, geological experts from State Hydraulic Works (DSI) came to Ethiopia for a period of six months, for solving the geological problems encountered at the Kesselem Dam in Matahara district and the report prepared was submitted to Ethiopian authorities (ibid).

The other development areas of Turkey’s support for Ethiopia is related to loan provided to public projects run by government institutions. Two projects can be mentioned here; a rail way project from Awash to Woldiya and a loan provided by Turkish Exim-Bank to investors in Ethiopia and the submission of a proposal to open its representative office branch in Addis Ababa.

In 2012, Yapi Merkezi, owner of the contracting company had signed a \$1.7bn contract with state-owned Ethiopian Railway Corporation (ERC) to build nearly 500km of railways (Financial Times, 2012). Turkey’s Exim bank has provided \$1.4 billion to finance a massive rail project currently underway in the country (Zami Radio News, 2015). Moreover Ziraat Bank, a Turkish agricultural bank, tabled its proposal to the Ethiopian government to open its branch in Ethiopia. The bank has sent its proposal for the government to operate in the country, but the nation’s law and the ruling party’s policy strictly prohibits operation of Foreign Bank. Due to this, the Bank has been allowed to open commercial representative office in Addis Ababa in April 2015.

Finally, Turkey has also provided humanitarian assistance to Ethiopia. In 2009 as part of humanitarian aid, Turkish government donated one million US Dollars to Ethiopia, through World Food Program (WFP) (Turkey Africa Ministerial Review, 2011:39).

4.6. Challenges and Prospects of Trade and Investment Partnership

4.6.1. Challenges

Even though Ethiopia-Turkey economic relations have been growing steadfast, there are a number of challenges. The major problems have been in investment and some others in Trade such as; Bureaucratic constraints, land acquisition problems, lack of infrastructures In FDI, imbalance between export and import, high Tariff, lack of access to Generalized System of Preferences (GSP) system and disagreements on FTA negotiations are the main challenges.

The Generalized System of Preferences (GSP) aims at contributing to the economic development of developing countries. GSP provides benefits to developing countries by enabling qualified products to enter the markets of preference-giving countries at changing rates from duty free to reductions in the Most Favored Nations (MFN) rate⁷ (UNCTAD, 2007: 1). Accordingly, preferences are granted for all industrial products and certain agricultural products covered by the EC's GSP scheme.

Least developed countries (LDCs) have duty- and quota-free access to Turkish markets for all industrial products falling under chapters 25-97 (except chapter 93) and for some agricultural products covered by the customs union between Turkey and EU (ibid). Even though Ethiopia has been beneficiary of GSP under category of LDCs, only few of its exports meet the criteria. Thus, Ethiopia could not largely benefit from Turkey's GSP. Turkey repeatedly request to sign Free Trade Agreement (FTA) as deal to increase Ethiopia's benefit under GSP. Ethiopia on the other hand, wants to delay the request until accession to World Trade Organization (WTO). (See Annex 3 for lists of products covered under turkey's GSP).

Regarding investment, Turkish investors and their representatives complain about bureaucratic delay and infrastructural problems such as electricity, communication and transport services. When the researcher held key informant interviews, these challenges came to light

Case 1: Interview with Ato Sisay Tsegaye, Senior Investment Promotion Expert at EIC. The interview was conducted on Feb 25, 2015 from 5:30am to 6:00 am at office number 107.

Researcher: Are there any challenges with regard to FDI from Turkey? If any what are the challenges?

Due to certain reasons, FDI inflow from Turkey is not as much as planned. In addition, sometimes we receive complains from Turkish investors. The prob-

lems are related to impact of changes in investment proclamation and certain bureaucratic problems. For instance, some Turkish firms were engaged in construction sectors such as 'blocket' manufacturing. But according to new investment proclamation these sector is reserved for domestic investors to protect domestic investors. Due to this there were some debate/with the firms. But after negotiation and discussion the case is settled and the firms are now operating according to earlier proclamation.

The other challenge is related to land acquisition and infrastructures. A Turkish firm had a case related to land holding. The complaint was settled soon after negotiation and discussion with officials at federal and regional levels.

Case 2: Interview with Mr. Erol Dede, Coordinator of Nejashi Ethio-Turkish Schools. This interview was conducted on Feb, 26/2015 at office of Nejashi Ethio-Turkish School from 3pm to 4pm

Researcher: Are there any challenges that you have faced related to your investment in Ethiopia?

Mr. Dede:

YES. The biggest challenge is land acquisition problem. Especially in A.A we faced a serious problem to open a new school or to expand the existing ones. Out of Four branches it is only the Alemgena Brach that we are able to acquire land on lease basis. The others are on rented buildings and compounds.

In 2010, we applied to build a modern school complex which can extend even to higher education. First, we were given land around Meskel Square. After we have begun to work, we were prohibited to start because of a new law, which required newer bid. Even though we asked the authorities, we were denied access to the land and were forced to quit our plan. This is one of our bigger challenges particularly in AA.

The other challenge is related to Tax and delay at Custom Duty/gumruk. We pay transport, import and other duty taxes for educational materials, which make the prices of brining educational materials costly. In addition we do not receive imported materials on time due to delay at Custom Duty/Gumruk sites.

This problem affects our school, as we need to provide up to date books and other materials on time. In addition, other challenge is the lack of developed infrastructure in some areas. In order to tackle problems related to infrastructure we have identified plots of land for industrial zone. Turkey is one of few countries, which have industrial zone site just around Addis.

As it can clearly be understood from above cases, land acquisition, infrastructures and bureaucratic procedures are the major challenges that the Turkish investors face.

Similar problems are also visible in areas of Trade. Despite the growing trade between the two countries, The Turkish delegation told Ethiopian officials, particularly addressed to Ethiopian Minister of Finance and Economic Development (MoFED), Sofian Ahmed, that they have at times faced “bottle neck procedures and bureaucratic problems” in Ethiopia (The Capital,2015). According to Mehamet, Chairman of Turkish Exporters Assembly the major problems and “serious barriers” include the banking sector like shortage of foreign currency, long and hectic paper work and procedures to establish a company, high custom tax and transportation cost as well (ibid).

On the other hand, despite all the growing bilateral relations of the two countries, the trade volume of the two countries is in favour of Turkey. According to Mr. Yisak, director of bilateral and Multilateral Trade negotiation, Ethiopia was not able to significantly benefit from GSP due to the reason that the majority of its exports are not eligible for the preferences.

The challenges are well understood by officials from both States. There are attempts by the Government of Ethiopia to curb the barriers. A committee has been established to investigate complains of investors. Besides, in order to solve investment related challenges, EIC has planned to implement Investment Park Industry Proclamation in near future that would potentially reduce problems related to infrastructures and land acquisition.

4.6.2. Prospects

Despite challenges that exist in areas of Ethiopia-Turkey trade and investment partnership, there are both positive and pessimistic attitudes. Current growth ratios and favourable economic forecasts in both countries, growth in expanding infrastructural developments in Ethiopia, increasing political and social interactions and growing legal and institutional foundations are some of the favourable conditions that would further expand current relations to a

higher level. On the other hand, there are some recent political developments in that Turkey would negatively affect the current investment and Trade friends.

Turkey has one of the fastest growing economies in the Middle East and is looking to expand business and investment ties to new regions such as Africa (Word press, 2011). This also highlights a growing importance of Turkey attaches in trying to spread its reach and influence and global stature Consequently, Turkey has created strong investment ties with Ethiopia, which is one of the fast growing economies in Africa.

In general, the favorable investment atmosphere, fast economic growth, peace, and stability of the Ethiopia attract more Turkish investments. Thus, rapidly growing economy in Turkey optimises FDI inflow to Ethiopia.

Similarly, the rapidly growing Ethiopian Economy demands sustainable injection of capital not only from domestic sources but also from FDI. According to the Ethiopian minister of trade and industry, the country has been growing for the last seven consecutive years at a pace of 11.2pc annually and said Turkish businesspersons seize these opportunities created by this economic expansion. The Minister further elaborated ‘there is demand for construction of roads, buildings, hotels and even hydropower generators. Turkish businesspersons also benefit from the production of construction materials’ (Addis Fortune, 2010).

In addition to economic growth, strategic location of both Ethiopia and Turkey is also the other reason that potentially would increase trade and investment partnership between the two countries. That is, Turkish business community considers Ethiopia as a gateway to African countries as well as Ethiopian business community uses Turkey as a base to open up to markets in Europe and Asia (Nazret.com, 2011). Such perception by two sides strengthens engagement in areas of Trade and investment. Bilateral Trade areas have opened up and there are ongoing negotiations on free trade agreement. Ethiopia is a beneficiary of Turkey’s Generalized System of Preference (GSP), which allows the former to export agricultural products free of duty to the latter. In future, Ethiopia will benefit more as its more exports start to qualify for GSP, which would significantly change to Balance of Payments.

However, continuous expansion of trade deficit for Ethiopia would negatively impact bilateral trade relations. For last fourteen years, the balance of Ethio-Turkish trade has been negative and trade deficit has been expanding for the Ethiopian side. Even though unfavourable trade balance (trade deficit) is common for trade between developing and developed coun-

tries, the expansion of deficit might discourage the former and shift to search for other trade partners that would produce either lesser deficit or favourable balance. Such business calculations might also affect the rapidly growing bilateral trade between Ethiopia and Turkey.

Another negative scenario in Ethio-Turkish economic relations arises from a recent political development in turkey: there is a conflict between AKP and Gullen movement. The Turkish government has for some time now been waging a political struggle with this movement and is attempting to clear Turkish institutions from the influences of this organization, which is said to have made considerable in-roads in Turkish state institutions (Girum, Feb 25,2015). Ambassador Girum further explained:

In connection with this, TUSKON, the Confederation of Turkish Businessmen and Industrialists, has become one of the targets of the Turkish government. To this effect, the Turkish side is reiterating to channel all foreign business relations through Foreign Economic Relations Board (DEIK), which is a recently instituted board, instead of TUSKON. Their fall-out has had some impact in our bilateral relations as TUSKON has a representative here in Addis, and we had continued to deal with this outfit in developing further our business and economic relations with Turkey, especially the private sector.

As it can clearly observed from the interview, current government of Turkey (AKP) will not be cooperating with TUSKON. Needless to say, Ethiopian government will prefer its cooperation with government rather than TUSKON. This would adversely impact the activities of TUSKON in Ethiopia which is mainly related to business bridging between Ethiopia and Turkish. This would at least for some time be a challenge for those companies brought by the organization. In short, current disagreement between AKP and TUSKON will in one way or another affects Ethiopia-Turkey trade and investment relations.

To sum up, there have been both challenges and opportunities accompanying the growing Ethiopia-Turkey economic relations. Similarly, the bilateral economic relations between the two countries would be shaped by unfolding domestic and global economic and/or political developments.

Chapter Five

Political Relations

5.1. Introduction

Under this chapter, the political relations between Ethiopia and Turkey will be discussed. For purpose of this study political relations refers to all bilateral and/or multilateral interactions between Turkey and Ethiopia, which are not purely economic. In addition, the chapter includes bilateral military and security cooperation, political consultations and diplomatic relations between Ethiopia and Turkey.

The second section discusses legal and institutional framework of Ethiopia-Turkey political relations. The third section of the chapter covers issues of diplomatic relations between the two countries. This constitutes bilateral political consultations, negotiations and cooperation with regard to issues of common interest at regional or global level.

The fourth part of the chapter deals with issues of bilateral and regional military and security relations. Military cooperation between the two countries is not limited only to bilateral technical military support. It rather includes bilateral involvement in regional peace and security activities. Currently both Ethiopia and Turkey have concerns in peace and security of the Horn of Africa. Thus, under military relations of the two countries these issues will be dealt with.

5.2. Legal and Institutional Frameworks

5.2.1. Legal Framework of Ethiopia-Turkey Socio-political Relations

Three major legal frameworks for political relations between Ethiopia and Turkey are bilateral MoU, Protocol of cooperation and agreement in the form of a treaty. These legal frameworks are discussed below in details.

A. Treaties

A Cooperation Agreement between Ethiopia and Turkey in fighting against international illicit trafficking in narcotic drugs and psychotropic substances, international terrorism and organized crime, was signed in 2001 between the FDRE Ministry of Justice and the Ministry of the Interior of the Republic of Turkey.

The Agreement makes references to the Single Convention on Narcotic Drugs of 1961, the Convention on Psychotropic Substances of 1971 and the United Nations Convention Against Smuggling of Narcotic Drugs and Psychotropic Substances of 1988 and the provisions of the UNESCO Convention on Precautions To Be Taken In Order To Prevent and prohibit Illegal Export, Import of Cultural Wealth and Property Transfer of 1970.

Moreover, the two countries expressed their concern about the danger caused by international illicit drug trafficking, international terrorism and international organized crime on the one hand, and about the close relations between these crimes (Ministry of Justice, 2001).

Expressing mutual concerns, the two countries agreed to cooperate in the fight against international crimes of Terrorism, Illicit trafficking of narcotic drugs and arms, financial or commercial enterprise crimes including proceeds of illicit activities and money laundering. The two states also agreed to cooperate in tackling illegal migration and illicit trafficking in human beings. Moreover, the contracting parties agreed also to cooperate in the fight against all kinds of organized crime recognized by the legal systems of the Contracting Parties.

The agreement suggests appropriate measures to prevent or control the specified crimes by working together (MoJ, 2001).

In short, the two countries agreed to implement the cooperation in compliance with the laws in force in the respective Countries and with the obligations derived from other bilateral or multilateral agreements. The treaty was ratified on 22nd May 2003(Federal Negarit Gazette, 2003).

In 2005, Air Service Agreement was signed between Ethiopia and Turkey. The aim of the agreement has been to establish air services between and beyond their respective territories. The two countries concluded the agreement by considering the fact that both are parties to the Convention on International Civil Aviation opened for signature at Chicago on the December 7, 1944. With nineteen articles, the agreement is perhaps the largest ever treaty signed between the two countries.

The agreement covers a plenty of matters relevant to bilateral civil aviation services. Among others, the agreement includes issues related to grants of rights and/or duties in air service; aviation safety and security; user charges and commercial activities; tariff and tax applications, timetable submission, consultations and settlement of disputes.

Ethiopia and Turkey have established the first bilateral cooperation in military field by signing a Military Cooperation Agreement on April 25th in 2006 in Ankara. The scope of the treaty includes cooperation in the fields of Military Training and Education, Defense, Air Forces, Land Forces, logistics; Military history, archives and publications and museology and in other fields to be agreed by the countries (FDRE Ministry of Defense,2008). The agreement, if ratified is expected to boost up bilateral relations in military fields. However, the agreement took long time to be ratified.

Failure of the ratification of the agreement has resulted in signing of new agreement; the Defense Industry Cooperation in 2013 which was ratified in April 2015. The newer agreement is expected to provide cooperation in the field of defense industry by improving the defense industry capabilities of both countries through a more effective cooperation on development, production and procurement of defense goods and services in the field of defense industry and related technical and logistic support fields (ibid).

The other treaty relevant to Ethiopia-Turkey relations was signed in 2007. That was the Agreement on exchange of plots of land for building embassy and residence for head of mission and diplomats between the two countries.

The main objectives of the Agreement have been to strengthen and boost their bilateral and diplomatic relations and improve the working conditions of their diplomatic missions' in both countries. The agreement contains 11 articles that deal with specific points of agreement and procedures of implementation. The agreement was signed on 28th December 2010.

In 2011, Ethiopia and Turkey, have signed an Agreement concerning mutual abolition of visas for holders of diplomatic passport. The agreement aims to facilitate travels of citizens of both countries holding diplomatic passports; hence, it is exclusively applicable to members of diplomatic mission and high officials.

Article 3 of the agreement reads:

Citizens of each country [Ethiopia and Turkey], holding valid diplomatic passports, who are appointed to the diplomatic, consular missions or representations of international organizations accredited in the [respective country] shall be exempted from visa requirement to enter into, exit from and transit through the territory of the other for the period of their assignments.

This agreement contributes to easy movement of diplomatic mission across the two countries, and hence the prospering diplomatic relations. The agreement supplements the implementation of Vienna Convention of Diplomatic Immunities and privileges.

B. Protocols of Cooperation

Protocol of cooperation between MFA of Ethiopia and Turkey was signed on March 13, 2000 in Ankara with the objective of enhancing the cooperation and mutual contacts between Ministries, Diplomatic missions and other Representations of both countries.

The protocol proclaims extended cooperation of two countries in the third states through resident representatives of the respective countries at United Nations Organizations (UNOs) and other international organizations to intensify contacts, exchange information and consult each other on issues of mutual concern (FDRE,MFA, 2000).

Furthermore, the protocol of cooperation enables mutual support to institutional cooperation between the Ethiopian International Institute for Peace and Development (EIIPD) and the Strategic Research Centre (SRC) and other relevant institutions of the Republic of Turkey (ibid).

C. Memorandum of Understandings (MoUs)

Ethiopia and Turkey have exchanged a number of MOUs in areas of bilateral relations. Four MOUs have been identified for the purpose of this study and are presented below.

The first MOU between Ethiopia and Turkey is concerned with the MOU signed in Ankara on March 13, 2000 between Foreign Ministers of the two countries. The main purpose of the agreement has been to expand and deepen the bilateral relations through visits of officials and subsequent conclusion of agreements in various areas of cooperation.

Another MoU was signed in 2006 between MFAs of the two countries regarding cooperation in the field of Foreign Service Training. The MOU paves the way for institutional and technical cooperation between the two countries through exchange of information on the study programmes and other relevant academic activities of their respective diplomatic academies; facilitating the exchange of professors, conference speakers, experts and researchers, in areas of their common interest and consultation on the possibilities of organizing courses and seminars that could be held alternately in Addis Ababa and Ankara (FDRE, MFA, 2006).

To sum up, various bilateral agreements concluded between the two countries in form of treaty, MOU and exchange of protocols are the legal bases that established contemporary Ethiopia-Turkey political and socio-cultural relations. Even though the legal status of all agreements remains equal, the agreements vary greatly in scope, status and impact. As a result, while some agreements significantly influenced the bilateral relations, others were terminated even before implementation. There are also agreements that are pending for long period without rejection or ratification.

While a legal framework in general shows only whether bilateral interactions and cooperation are legitimate or not, institutions show how much their relations have been practically realized. The next section discusses the institutional frameworks that fall within bilateral relations.

5.2.2. Institutional Framework of Ethiopia-Turkey political Relations

As a result of implementation of various agreements concluded between the two countries, Ethiopia-Turkey political relations have been operationalized in several areas, by the creation of various agencies, institutions and organizations to facilitate growing interactions. The institutional frameworks of Ethiopia-Turkey political relations encompass diplomatic institutions of the two countries, unilateral international cooperation agencies and multilateral forums that require participation of both states permanently and regularly. Three of such institutions are discussed below.

A. Diplomatic Institutions

Diplomatic institutions often serve as a direct bridge between two states. Diplomatic institutions of Ethiopia and Turkey include Embassies, Consular offices, Honorary Consulates and similar institutions serving as the springboard for economic, social and political relations of the two countries.

Both Ethiopia and Turkey have Embassy in the territory of each other since the second quarter of nineteenth century. Ethiopia had Embassy in Turkey from 1933 to 1984. Due to intermittent relations the Embassy was closed during the Derg Regime. It was re-opened in 2006. Currently, Ethiopian embassy in Ankara is the only official institutional representation of Ethiopia in Turkey and has been assigned representation to other four countries, Georgia, Azerbaijan, Kazakhstan and Tajikistan (Ethiopian Embassy Ankara, 2015).

Besides the embassy, Ethiopia assigned ten Honorary Consulates in Turkey until end of 2014. Since January 2015 the services of four Honorary Consuls in the cities of Izmir, Kayseri, Istanbul and Gaziantep has been terminated based upon a request by the Turkish side (Girum, February 26, 2015). These Honorary Consuls were seen as supporters of the Gulen movement, which is at political loggerheads with the AKP government.

Turkish Embassy in Addis Ababa has been operating without major interruption since its establishment in 1926. Unlike Ethiopia, which is represented only by Embassy and honorary consuls, Turkey has a commercial counsellor and Turkish International Cooperation Agency (TIKA), which support the work of Embassy.

Even though both countries have embassies within the territory of each other, they do not possess a building of their own. In order to have a building of their own, Ethiopia and Turkey have signed an agreement to exchange plots of land in 2010 (FDRE, 2010). The first article of the treaty describes the amount of land to be exchanged and other relevant provisions. The article reads:

The Government of the Republic of Turkey shall grant to the Government of the Federal Democratic Republic of Ethiopia the possessory right of the plot of land of 3,000 m². Three Thousand square meters) free of charge for the construction of diplomatic buildings, residences for the ambassador and diplomats in Oran Diplomatic Enclave, in Ankara.

The Government of the Federal Democratic Republic of Ethiopia shall grant to the Government of the Republic of Turkey the possessory right of the plot of land of 7,192.8 m² (seven thousand one hundred ninety two point eight square meters) for the construction of diplomatic buildings, residence for the ambassador and diplomats in Bole sub city, in Addis Ababa. The value of the plot of land given to the Turkish Embassy in Addis Ababa in excess of what is granted to the Ethiopian Embassy in Ankara which is 4,192.8 m² (four thousand one hundred ninety two point eight square meters) shall be in lease and paid in US Dollars of 3,200,000.00 (United States Dollar, three million two hundred thousand) and the said amount shall be deposited in the account number that will be specified by the Government of the Federal Democratic Republic of Ethiopia. The plots of lands given by either Party shall be based on the principle of reciprocity and shall be exclusively used for the construction of the buildings and facilities to be used by their Embassies for diplomatic purpose

By the time the information was included (April 2015), the issue of exchange of plots of land for the construction of Embassy, chanceries and Ambassador's residences in both capitals has been proceeding well. According to Ambassador Girum, Director General for European affairs at FDRE-MFA, the Turkish side has been provided with the title deed for the land upon which to build its future Embassy and the Ambassador's residence in Addis Ababa in July 2015. Ethiopia too has been provided with the title deed of its plot in Ankara. The transfer of the 3.2 Ml. USD was to be made during the following weeks of January 2015. The issue of exchange of plots of land is under process between Ethiopian and Turkish high officials during January 22, 2015 official visit of president Erdogan.

Even though both Ethiopia and Turkey have embassy in the territory of each other, there are differences between the two embassies in terms of organization and capacity. Turkey's official representation in Ethiopia has been over one hundred years and a decade-less since the opening of consular office in 1912, and Embassy in 1926 respectively.

Ethiopia on the other hand, had an interrupted chronology of diplomatic representation in Turkey. Firstly, only two years after opening of its Embassy in Ankara in 1933, the country went under five years Italian Occupation (1935-1941). After liberation, the Embassy continued to operate for over thirty years of Imperial period until the Emperor was deposed in 1974. During Derg regime the embassy operated for ten years before it was closed in 1984⁸ (MFA, 1995). Following the fall of Derg regime in 1991, Ethio-Turkey relations improved under EPRDF government. Despite this for fifteen years from 1991-2005 Ethiopia used to manage its interests in Turkey through its Embassy in Rome. Thus, unlike Turkey that has older and consistent representation Addis Ababa, Ethiopia has relatively shorter and interrupted diplomatic representation in Ankara.

According to Mr. Anteneh Tariku, former diplomat at Ethiopian embassy in Ankara, there are concrete pillars that make Turkish Embassy in Ethiopia better than ours. The diplomat explained

As compared to Ethiopian Embassy in Ankara, the Turkish Embassy in AA is well organized and specialized. Unlike Ethiopians, their [Turkey] diplomats here are assigned with specialized roles and duties. For example, Turkish Ministry of Economy sends expertise to Commercial Councillor Office. However, Ethiopia sends only diplomats from MFA. In this regard, Turkish is well organized than Ethiopia. On the other hand, Turkish Embassy in Ethiopia is

located in Financial and commercial centre while Ethiopian Embassy is located in political centre in Ankara instead of Istanbul which is the Turkey's Commercial centre. Ethiopia needs at least consular office in the commercial hub Istanbul. Even limited Ethiopian Diasporas in Turkey live in Istanbul. Thus, has negative impact on effectiveness of the Embassy in discharging its responsibilities. It is more than 400KMs (approximately) from Ankara to Istanbul (Anteneh, April 27, 2015).

The diplomat further mentioned that the main objective of Ankara mission is Business Diplomacy. Therefore, the major activities of the mission are investment promotion, tourism, technology transfer. To handle these priority areas of Ethiopian diplomacy, the Embassy requires some structural and managerial reforms.

B. Turkish International Cooperation Agency (TIKA)

TIKA is a governmental and non-profit organization established in 1992 under the management of the Prime Minister and Ministry of Foreign Affairs. TIKA has strong relations to all kind of strategic institutions in Turkey, international organizations like UNIDO, UNDP, OECD, and finally yet importantly, it has operational units mainly in the countries where humanitarian camps were established (Beseny and Oláh, 2012). The key regions of its activity are the Near East, Balkans, Eastern Europe, Caucasus, Middle-Asia, Far East and Africa.

Initially, the organization was formed to maintain the connection between the Turkish speaking states, especially focusing on Middle-Asia, Balkan and the Caucasus (ibid). However, following Turkey's foreign policy reorientation during latter years of 1990s and mainly after 2002, Africa became one of the potential partnerships of Turkey. Turkey under the AKP Party administration has brought a new vision to Turkey's Africa initiative, and certainly aims to fill the relations gap, which emerged after nearly a century of negligence (Mehmet Ozkan, 2010). As a result of increasing Turkey-Africa relations TIKA opened its offices in Africa. Its first African Office was opened in 2005 in Addis Ababa. Since then it has expanded to other countries and as of March 3, 2015 TIKA has twelve offices in African countries (Durhat, 2015)

In 2010, the Turkish government adopted the 'least developed countries' concept and invested, approximately 200 million USD into several scholarships (Beseny and Oláh, 2012). It is important to mention that the efforts of the government were supported by TIKA as well. As an official international development cooperation agency, TIKA is engaged in development

activities. The African programs of TIKA mainly concentrate on agriculture, healthcare, supplying drinking water and other humanitarian activities. In Ethiopia TIKA can be taken as one of the few Turkish institutions that is playing multiple roles. Its roles cut across humanitarian and development assistance, socio-economic development, capacity building and institutional cooperation.

C. Turkey-Africa Partnership Forum

Turkey's push to open the door to Africa was realized in 2008 with a historical meeting in Istanbul, hosted under the auspices of Turkish President Abdullah Gul. The Turkish policy of opening up to Africa and the declaration by Turkey in 2005 as 'The Year of Africa', as well as Africa's policy of building strategic partnerships with the other parts of the world and the decision by the African Union Summit of January 2008 to declare Turkey as a strategic partner of Africa were the two immediate factors for creation of Turkey-Africa Partnership Forum (Institute of Security Studies) (ISS), 2008) In addition, Turkey also became the 25th non-regional member of the African Development Bank in May 2008.

The establishment of forum realized institutionalization of relations between Turkey and Africa on solid bases. 'Africa-Turkey Partnership presents a suitable framework for collective dialogue that should lead to positive outcomes in terms of concrete programme of action and implementation modalities, which should be based on equality, mutual respect and reciprocal benefits' (ibid), Thus, the summit laid down a stable frame work by providing what is known as Istanbul Declaration that would serves as regular forum for discussions and consultations between Africa and Turkey.

Accordingly, the first Turkey-Africa Summit, under the theme of "Solidarity and Partnership for a Common Future," was held from 18 to 21 August 2008. Ex- Prime Minister Meles Zenawi represented Ethiopia and he was co-chair of the summit. The summit provided a venue to increase bilateral contacts and search for new ways of developing relations. Similarly, the bilateral meetings at high levels gave an impetus to developing relations with Africa in the years that followed. To lay the ground for the cooperation in the long run, the Turkey-Africa Summit were scheduled to be held every five years.

The second Africa-Turkey summit took place from 19-21 November 2014 at Malabo, Equatorial Guinea. Prime Minister Hailemariam on the forum has represented Ethiopia. The declaration of second TAP summit includes both short and long-term pillars of strategic cooperation between Africa and Turkey. The short term objectives includes among other things, co-

operating in Paris in 2015, under the UN Framework Convention on Climate Change and working together toward reaching the Millennium Development Goals (MDGs) by 2015. Their partnership also extends to cooperation in long term plans such as the post-2015 development agenda and the AU Agenda 2063 (MFA-Turkey, 2014). The third TAP summit will be conducted in Turkey in 2019.

In addition to the TAP summit, Africa-Turkey Cooperation High Level Officials Meeting and Turkey-Africa Ministerial Review Conference are the other milestones within the partnership process. The first High Level Officials Meeting was held on 15 December 2010 in Istanbul in accordance with the follow-up mechanism of the Istanbul Declaration on Africa-Turkey Partnership adopted at the First TAP meeting. The second was held in Addis Ababa on 19 June 2013. Ethiopia chaired the meeting.

The magnitude of these bilateral meetings has been important, given that the Turkish President and Prime Minister were meeting the delegations from several of the African countries for the first time, and vice versa, and that no high-level meeting of such a nature had ever taken place before between Turkey and those countries (Ozkan, 2010). Given the fact that neither Turkey nor many African countries know each other well, the bilateral meetings and the summit itself helped to familiarize both sides to each other. .

In short, TAP serves as institutional framework, where Africa and Turkey in general and Ethiopia in particular meet each other and exchange views on regional and global issues. Besides, it helps as follow up mechanism of existing relations between Africa and Turkey at continental level in general and latter's relations at sub-regional and bilateral levels. Moreover, it remains a forum of solidarity and cooperation between the two partners over long and short-term social, political and economic objectives.

5.3. Diplomatic Relations

Contemporary diplomatic relations between Ethiopia and Turkey encompasses bilateral political consultations and various bilateral and multilateral negotiations through regional and global frameworks. Both Ethiopia and Turkey jointly work to ensure peace and stability in the greater horn region through IGAD regional framework. Turkey's relations with Eritrea and Egypt are also issues that in one way or the other affect its relations with Ethiopia.

Both countries support each other on various global issues of concern that have potential to affect the status, prestige, national interest or image of one of the countries. Among other

things, Turkey's position and leadership at UNOs and other global forums and are some of common global issues of diplomatic relations between the two countries. These issues are elaborated under the following sections.

5.3.1. Bilateral Political Consultations and Exchange of Visits

Since 2008, Ethiopia and Turkey have bilateral political consultations. The Protocol of Cooperation signed between MFA of Ethiopia and Turkey in 2000, laid a framework for the political consultation between the two countries in 2000. According to Article 1 of the protocol, *the Ministers of Foreign Affairs of both countries shall visit each other and hold meetings. The other senior officials of both Ministries shall, if need be, consult on issues of Common interest* (FDRE, 2000).

Since then, frequent exchanges of visits at higher levels have been done through the years to both capitals by their respective delegations.

The Prime Minister of Turkey, Mr. Erdogan visited Ethiopia in 2005, 2009 and 2015. A marked change and dynamism in the diplomatic relations occurred after the visit of the then Prime Minister Erdogan to Addis in March 2005. The two sides agreed to strengthen their engagement in peace and security issues regarding the Horn, double their trade and investment relations, and deepen their cooperation on issues of global nature, especially, coordination and cooperation on multilateral fora

In return, Ethiopian Prime Minister Meles Zenawi visited Turkey in February 2007 and in May 2011. There were also visits of Foreign Ministers of the two countries. In this regard, the Foreign Minister of the republic of Turkey Prof. Ahmed Davutoglu visited Ethiopia three times in four years, in August 2010, December 16, 2012 and January 2014 and met with Prime Minister Haile Mariam Dessalegn and President Mulatu Teshome.

In return, there have been no official visits made from Ethiopia to Turkey at Foreign Minister Level after the visit of Seyoum Mesfin, Minister MFA in February 2009. But the visits of Hailemariam Dessalegn, the then Deputy prime Minister and Foreign Minister made to Istanbul as a frame work of the UNLDCS IV meeting hosted by Turkey in May, 2011 and First Africa Turkey Partnership held in December 2011 can be recalled by Ethiopian side.

Furthermore, mutual visits between the two countries at various levels have been significant steps that contributed to the development of the relations. According to Ambassador Grum,

through exchanges of visits, the bilateral relations between the two countries had evolved to such an extent, today Turkey figures one of the three largest investors in Ethiopia'. A number of agreements in various fields have been signed and are being implemented; people-to-people relations have been strengthened. Turkey considers Ethiopia as a strategic partner and a gateway to Africa. Ethiopia also considers Turkey as one of very few strategic partners from Europe, apart from Germany, France, the UK, Italy, and the EU.

In addition, political consultation mechanisms have been put in place, where talks are held every year between Director Generals of the two Foreign Ministries. This has been augmented by frequent contacts in both capitals and on multilateral fora between the Foreign Ministers of the two countries, where bilateral and regional issues have been discussed. Accordingly, the third Ethio-Turkey political consultations were held in June 2014 in Ankara by focusing on issues that range from bilateral to global issues. Bilateral trade, investment, development finance, technical cooperation; regional peace and security issues and global cooperation on climate and Turkish-UNSC presidency were among agenda items of the political consultations of 2014 (FDRE, MFA, June 2014)

In general, the over-all bilateral political relations between the two countries can be described as being excellent, there are certain concerns with regard to Turkey's engagement in the sub-region, i.e. Somalia and Eritrea.

5.3.2. Cooperation at Regional and Global Levels

Both Ethiopia and Turkey has political interests in the Horn of Africa. Ethiopia is strategically located in this part of Africa, and is an active player on issues of this continent. It is performing this job actively and in a responsible manner. All these factors make Ethiopia a beacon of stability in the continent. Stability and security are concerns that Ethiopia shares with Turkey. Thus, peace and stability of the Horn of Africa is one of the common political interests that require cooperation between the two countries. Towards this end, Turkey and Ethiopia are working together through regional frameworks of IGAD.

Turkey's cooperation with IGAD is a subset of the former's engagement with Africa through TAP framework. Peace and Security has been one of the elements of cooperation in TAP (ISS, 2008). The partnership allows Turkey's direct and active involvement in peace and security activities of Africa at least through three major engagements. Firstly by playing a role through multilateral and bilateral diplomacy in the settlement of conflicts and disputes in Af-

rica; secondly, through cooperation with the international and regional organizations such as AU and Regional Economic Commissions (RECs) and thirdly, participation in peacekeeping missions in Africa (Africa-Turkey Ministerial Review, 2013).

As part of its cooperation with RECs Turkey has partnership with IGAD. Apart from that, Turkey has also bilateral relations with IGAD countries. Therefore, Ethiopia-Turkey cooperation through IGAD would be looked into from two angles. Turkey-IGAD cooperation mainly focuses on pacifying sub-region. With regard to Peace and Security, Ethiopia and Turkey jointly support AMISOM, UNMID and UNMISS.

The justification behind Ethiopia's security interest in Somalia is strait forward; for decades, its national security has been affected by political developments unfolding in Somalia. The last security threat from Somalia was witnessed in 2006 when the terrorist group named Union of Islamic Courts declared *Jihadi war* on Ethiopia. On 21 July 2006 the Islamic Court leadership orders a "holy war" against Ethiopians in Somalia On 30 November 2006 Ethiopia's parliament passed a resolution authorizing the government to take all legal and necessary steps against what it terms as any invasion by the UIC (BBC News, 2009). Ethiopia stayed in Somalia fighting with the group until 2009.

On the other hand, AMISOM has been operating in Somalia since 2007. Uganda and Burundi were the first and second countries to deploy troops under AMISOM into Somalia respectively, in March and December 2007. The other AMISOM peacekeeping troops contributing countries are Djibouti, Kenya and Sierra Leone. In 2014, the Federal Democratic Republic of Ethiopia becomes the sixth troop contributing country to the Africa Union Mission in Somalia (AMISOM). The Ethiopia National Defence Forces (ENDF) has provided 4395 personnel that have been deployed to AMISOM sector three regions (AMISOM, 2015).

Turkey's security interest in Somalia partly emanates from two main motives. Firstly, instability in the region adversely affects Turkey's economic interest mainly by disturbing its booming trade with countries of the region. Secondly, Turkey as emerging regional power wants to extend its influence abroad to such a strategic region such as the Horn of Africa.

As a result, Turkey has been actively involved in Somalia after 2008 first to fight against pirates in the Red Sea. The Somalian pirate activity in the Aden-bay could have been dangerous for each trader in the region and the Turkish navy played quite an important role in solving it. After UN has proclaimed, the Turkish frigate called Giresun started its duty on 25th February

of 2009. Its duty was later taken over by the frigates of Gediz and Gökova, with 267 people on its board (Ozkan, 2010). The Turkish political efforts were not only limited to the ocean, the government tried to claim general peace all over Somalia.

Both Ethiopia and Turkey's involvement in Somalia is multi-level and bold. The intervention took three forms; bilateral relations with Somalia, partnership with IGAD and participation in AMISOM. In terms of Development Cooperation Turkey's involvement appears stronger than Ethiopia's. Turkey is taking a significant initiative in Somalia, and is working with a number of private local NGOs. For some observers, its involvement is surprising, although it should not be. There has been a shift in involvement, not just from Turkey but also from the Islamic world. The Organization of Islamic Cooperation (OIC) and Islamic NGOs provide significant contribution to Somalia.

Turkey has garnered such publicity because it is working on the ground with its own institutions, including the Turkish Cooperation and Coordination Agency (TIKA), the Turkish Red Crescent and the Directorate of Religious Affairs. There are at least twenty large Turkish agencies taking part in development in Somalia at this time. Turkey also provided rotating commander for the multilateral Combined Task Force one hundred and fifty one aimed at fighting Somali piracy in the Gulf of Aden (Orakci, 2012). However, Ethiopia obviously plays much influential roles in AMISOM and IGAD than Turkey due to former's geographic and rhetoric advantages. Despite turkey's influence and presence through bilateral cooperation with Somalia has been strong.

Two agreements are important in Turkey-Somalia bilateral military cooperation. These are the Frame Work Agreement on Cooperation in Military Fields and the Agreement on Military Financial Cooperation. No evidence can explain Turkey's security interest in Somalia than its military aid and technical support. Turkey contributed 1million USD to the AMISOM in 2009. In addition, within context of Somalia donor's conference that took place on 22-23 April 2009 in Brussels, Turkey donated a sum of USD 2Million to Somalia to support AMISOM and Somali National Guards (Turkey-Africa Ministerial Rview, 2011:51)

Despite strong bilateral military cooperation with Somalia, Turkey is also close to Ethiopia on issues related to Somalia to avoid creating a troubled relationship. Turkey reaffirmed its interest to cooperate with Ethiopia with regard to pacifying Somalia during Erdogan official visit to Ethiopia:

On regional issues, we applaud Ethiopia's effort and contribution to peace, stability and security in the region. I will be going to Somalia after my visit here, which will be my second visit to that country. You host half a million Somali refugees, while we host 1.7 bl. Syrians in Turkey. Turkish Airlines flies to Somalia, we have an Embassy there, and we should work together on Somalia. We have constructed a 200-bed hospital there and the new terminal at the airport in Mogadishu (Erdogan, January 22, 2015)

From president's speech, it is clear that Turkey is assertive of its contribution to stabilizing Somalia. Besides, it recognizes and support Ethiopian efforts in Somalia.

Similarly, Ethiopia appreciates and recognizes what Turkey has been doing in Somalia. In response to Erdogan's speech, FDRE Prime Minister Hailemariam Dessalegn replied:

On Somalia, we will work together to continue to stabilize that country. Your visiting twice Somalia has a message to the international community, showing your interest to get Somalia out of the woods. As IGAD and as Ethiopia we will support your efforts in this regard. There is an urgent need to provide humanitarian assistance to the people of Somalia, also by establishing schools and water points. The goal should be to win the hearts and minds of the people (Hailemariam, January 22, 2015)

From above two speeches made by the two heads of government, Common Security interests of Ethiopia and Turkey in Somalia are clear. Ethiopia appreciates Turkey's effort of stabilization Somalia, as it remains mutual security interests of both countries. Both countries agree on the possibility of cooperation in counter-terrorism actions in the Horn of Africa and in adjacent regions. Moreover, Ethiopia and Turkey support the Somali government to continue with the agreed understandings in consolidating peace and security in the country. These include support the on-going process of forming a viable Somali security force, capable of defending the country against extremist elements. Similarly, the two states support the initiative to encourage economic activities in Somalia by investing in Somalia. Towards this end, employment creation, assistance in the social services, transfer of expertise, infrastructure development and humanitarian assistance to the needy and the displaced are seen as priorities.

Even though both Ethiopia and Turkey have common security interests in Somalia, there are some disparities in approaches, preferences and prioritization of issues in an effort to stabilize

the region. Turkey could have an influence and be a factor to take into account in the relationship between Ethiopia and Somalia as the country works closely with both.

The issue of proliferation of initiatives is major but one manifestation of differences between the two countries regarding approaches to resolve conflict in the region, specifically in Somalia. Turkey has unilateral engagement in Somalia on one hand and supports IGAD's efforts on the other. The first approach is solely based on bilateral relation between Turkey and Somalia while the second engagement remains basically regional which means Turkey's role would be minimal if not absent in the initiative.

Through bilateral relations Turkey and Ethiopia are working together to find solutions for Somalia's problems. The conference in Istanbul was a key moment in their relationship. Turkey always tries to address Somalia as one state, which brings opposition from the leaders of Somaliland. Turkey expected to be perceived by Al-Shabaab as being Islamic too, but the latter sees the Turkish Version of Islam as a watered-down variety (Orakci, 2012). However, the major role of Turkey is its humanitarian involvement and the fact that Turks manage to access Al-Shabaab areas by getting in touch with local leaders. Turkey perceives such interventions as appropriate as and better than what other actors are doing in the country. A statement by Olgan Beker, Turkey's Ambassador to Somalia proves the claim. 'In Somalia we are setting an example of the humanitarian assistance model; one that is different from the already established assistance programmes of the international community' (Africa Business, 2015). However, there remains dissatisfaction with the role Turkey is playing in Somalia.

For Ethiopia, less engagement with Islamists in Somalia means giving a time for terrorist group to re-organize which would hold back the stabilization process hence direct threat to its security. Ethiopia and IGAD has proposal of establishing Transitional Federal Government in Somalia. Even though Turkey is also much concerned about peace and stability of the Horn of Africa in general and Somalia and South Sudan in particular, it does not face direct threat against its national security. Therefore, Ethiopia seeks coordination of political action of the Turks with that of IGAD. That is, Ethiopia does not want Turkey to come up with other initiatives by taking IGAD's effort off the course.

IGAD/Ethiopia shares a fear that there is a danger that Turkey makes the same mistakes as the international community. For example, Somali people have to decide for themselves how they want to reunite and the proactive approach that Turkey is taking is very dangerous for its intervention in the country (ibid). By supporting the reunification and trying to find a solution

for local problems, Turkey is eventually taking the same approach as the rest of the international community.

The disparity in preferences of approaches to stabilizing the region leads to the second element of competition between the two countries over leading the stabilization of Somalia. Turkey clearly wants to take lead in stabilization of Somalia. For instance during 2010 Istanbul Conference on Somalia, Erdogan declared that *Ankara will take leading role in bringing peace and stability to Somalia* (ibid). What Turkey is doing practically on the ground might have motivated Turkey's higher officials to feel overconfident in Somalia. However, such a claim is often debatable and opens the way for controversy. .

Ethiopia as emerging regional power and as a dominant member of IGAD wants privilege of its leading effort in fight against terrorism and stabilization of Somalia. In 2006, even though the unilateral intervention lends Ethiopia both criticisms and appreciation from domestic and international stakeholders, it was only after relative success has been achieved that other multilateral peace keeping missions such as AMISOM made a bold presence.

Therefore it is clear that Ethiopia has been playing remarkable role in Somalia; first by acting unilaterally and then by joining AMISOM peace keeping force and taking charge of the hardest bases of Al-Shabaab and gaining remarkable success. With all this cost and commitment Ethiopia reasonably claims the lead in stabilization of Somalia. Besides, for Ethiopia stabilization of Somalia would not end only by creating safe-eastern-neighbour. As land locked country, its long-term interest would be to have access to the sea through ports of Barbara. Thus, Ethiopia's other interest is to closely watch so that its short and long term security interests would not be undermined. The prestige and morale that is gained from championing war on terrorism (if achieved) must not be underestimated.

In addition, Turkey's relations with Eritrea and South Sudan in one way or another affects its relation with Ethiopia. The least important relationship is with Eritrea, where Turkey has an honorary consulate in Asmara. Turkey also sends a few companies and offers PhD scholarships. Turkish Airlines fly to Asmara. Given the relations, that Turkey has relations with both countries, there was limited hope that Turkey might mediate on the Eritrea-Ethiopia dispute, but they will not intervene (Orakci, 2012). However, since Ethiopia/IGAD sanctions on Eritrea together with international community Turkey's role of mediating the dispute seems impossible. Turkey's limited engagement with Eritrea remains interesting for Ethiopia. Thus, as

long as Turkey's limited relation with Eritrea did not develop to better cooperation, it does not significantly impact formers' bilateral relation with Ethiopia.

From IGAD member countries, Turkey's newest relationship is with South Sudan, with a consulate established in Juba in January 2011, which upgraded to an embassy soon after the independence. Turkey assigned twenty-six police to UNMISS, but apart from that, the relationship remains quiet. Turkey struggles to define the importance of South Sudan for its involvement in the region (ibid). Presently, since the relation between Turkey and South Sudan is weaker, its impact on Ethio-Turkish relations would be insignificant at least for a while.

Outside the Horn of Africa, Turkey's relation with Egypt remains relevant to Ethiopia. Egypt has close and cordial relations with Turkey, which has also strong partnership with Ethiopia. Even though Ethiopia and Egypt have long historical and diplomatic relations there has been competitive and even conflictual gestures between the two countries with regard to utilization of Nile River. Currently, diplomatic relations between Ethiopia and Egypt is characterized by tensions over construction of Great Ethiopian Renaissance Dam (GERD) by the former, which is perceived by later as threat to its water security interests. Turkey's position and comments on GERD would affect its relations with both Ethiopia and Egypt. So far, there has been no comment or stated position from Turkey vis-à-vis GERD. Thus, Turkey-Egypt relations currently pose no significant impact on Ethiopia's relations with both countries.

The other issue that could affect Ethiopia-Turkey diplomatic relation is, formers' stand regarding the Turkey-Armenia controversy over 1915 historical event. The 'relocation' of Ottoman Armenians in 1915 is one of the most significant and controversial issues in Turkish-Armenian relations (Palabiyik, 2015: 1). The mass 'relocation' resulted in loss of lives of Hundreds of thousands of Armenians. While the ottoman-Turkish historical narrative of the event does draw attention to the suffering of these two nations and focus on the mutuality of their grievances, the Armenian narratives insists on the recognition of the event as genocide (Ibid: 2). Both Armenia and Turkey has been lobbying other states for recognition and rejection of the event as 'Genocide' respectively.

In 2015, the controversy was highly politicized as Armenians celebrated the 100th year anniversary while Turkey denied once again. Apart from affecting relations between Turkey and Armenia the controversy, begin to influence their relations with third countries. For instance, following Austria's official recognition of the event as 'genocide' Turkey recalled its Ambassador from Geneva. Fearing such diplomatic gestures, many states including Ethiopia re-

mained neutral on issue. Thus, Ethiopia currently maintains good relations with both states by becoming neutral.

In short, Ethiopia and Turkey have good diplomatic relations in regional peace and security. The two countries are playing significant role in peace and security of the Horn of Africa by working through bilateral relations with affected countries, by partnering regional frameworks such as AU and IGAD, and through supporting AU and/or UN Peace Keeping Missions in the region such as UNMISS, UNMID and AMISOM. Despite such close cooperation, there are some concerns that the two countries could not agree on. One of such concern is disparity of some of the initiatives prioritized by each country, which creates competition rather than cooperation in regional peace and stability.

Turkey recognizes only central government as legitimate. Ethiopia/IGAD prefers Federal approach. Turkey might mediate on the Eritrea-Ethiopia dispute, but they will not intervene further.

5.3.3. Prospects of Cooperation at Global level: Turkey's G-20 leadership and UN-Post 2015 Development Agenda

Turkey assumed the G20 Presidency as of 1 December 2014 for one year taking over the Chairmanship of the Group from Australia. The G20 has a multiyear agenda across different policy areas. There are three priorities for the Turkish Presidency of the group, which are, implementation, inclusiveness and investment.

Within priority areas one of the goals of Turkish presidency is that, low-income countries would be better incorporated into the global system. That means Turkey will strive to contribute to the economic growth of developing countries within the global system. It also plans to make strong endeavours to have infrastructure issues feature in this action (Turkey, MFA, 2015).

Ethiopia waits to benefit from Turkey's G20 presidency through further engagement with the Group in the coming period. As the chair of the G-20 for 2015, Turkey's role could and/or should be instrumental for the successful implementation of the post 2015-development agenda. In connection with this end, Turkey's views and position on the third International Conference on Financing for Development that is scheduled to be held in Addis Ababa, Ethiopia from 13 to 16 July 2015 would be augmenting for further bilateral cooperation at G20 level. Financing for development is set to be among the major goals of the post 2015-

development agenda. As such, it is expected that the summit would result in important decisions that would affect socio-economic conditions of developing countries. Thus, Ethiopia would cooperate with Turkey by identifying issues of common concern that could be tackled under Turkish G-20 Chairmanship period.

5.4. Military Cooperation

Ethiopia and Turkey relations also include bilateral military cooperation in various fields. The legal base for Ethio-Turkey bilateral military cooperation was laid in 2006 when Military Cooperation Agreement was signed between the two countries. The agreement established a general framework of cooperation in six military fields. As per Article IV of the agreement, the two parties agreed to cooperate in, Military Training and Education, Defense Industry, Air and land Forces, Logistics, History, archives and publications and museology.

Despite the envisioned wider cooperation in military areas, most of the agreed fields of cooperation were not ratified which has resulted in expiry of the agreements. According to the agreement the treaty would have entered into force for a duration of five years (with possibility of extension) had it been duly ratified by legislative organs of respective countries. However, official justifications for voidance of the agreement were not presented from both sides.

Failure of ratification of the treaty for nearly seven years necessitated a fresh agreement in military field between the two countries. Accordingly, in 2013, the two countries signed a new agreement named Military Industry Cooperation. The agreement was signed between the Ministries of Defense of the two countries in Istanbul to “provide for cooperation in the field of defense industry, improving the defense industry capabilities of the countries, production and procurement of defense goods and services as well as related technical and logistic support in the field.” The also agreement proclaims: “The cooperation will elevate Ethiopia’s military capability to one of the top countries in the world in terms of defense modernization and logistical quality.” Unlike the previous agreement that failed to be ratified, the new agreement was unanimously ratified on 2nd April 2015, only after two years since it was signed. The ratification of the agreement was publicized by different Mass Media organizations. For instance under news headline ‘House ratifies Ethio-Turkey major military deal’ the Reporter Magazine on its April 4th edition posted reads:

The agreement envisaged the way for Ethiopia to produce military equipment and sell them to third parties. The agreement further allows the sale of co-produced and developed equipment to a third party provided there is a prior

written consent of the two parties. As part of the increasing pace of securing bilateral relations with various countries in the area of security and defense, the Ethiopian government continues to tighten and expanding military cooperation beyond regional and continental scope (The Reporter, 2015).

The agreement has been regarded as one-step ahead in bilateral military cooperation. The agreement would enable the two countries to cooperate in military industry fields by co-producing and selling military equipment to the third parties.

This agreement is expected to boost up Ethiopia's military industry by supporting very limited industries in the country. Ethiopia's Military Technology Corporation (MTEC) is currently producing military equipment that have been bought by neighbouring countries and by AU and UN for its peacekeeping mission in Somalia and Sudan. Thus, its cooperation in military industry would further strength by aiding with new technologies and skill.

Even though the Military Industry Cooperation agreement is portrayed as a landmark move in the history of Ethiopia-Turkey military cooperation, there have been limited bilateral interactions in military activities. Training and exchange of military personnel and bilateral military/defense exhibitions can be mentioned as example.

Officials from Ethiopian Federal Police Commission participated in an Intelligence training programme and Basic Intelligence Training Programme in Ethiopia given by the Turkish Directorate General for Security, on 2-13 December and 23 November to 6 December 2009 respectively (Africa-Turkey Ministerial Review, 2011:51).

This fact has been also revealed from an interview with Ambassador Girum Abay; 'Ethiopia and Turkey have good military cooperation in exchange and training areas'. Reflecting on the bilateral military and security cooperation Ambassador Girum further explained:

There is on-going military related cooperation between the two countries, especially in the area of training and military academy exchanges. The cooperation in this area seems to be going on without many problems; as far as the MFA is aware. We should therefore push for a much deeper engagement between the respective militaries of the two countries in the exchange and training areas.

The same type of training programs relations exist between the police academies of the two countries. The Turkish side had provided us recently with a new draft agreement to f make efficient use of these engagements. A response is expected from our side that will be provided in the coming weeks from the relevant Ethiopian entity.

Regarding security related engagements, there are no contacts as far as the MFA is aware between the relevant entities of the two countries. There could be some interesting aspects in counter-terrorism matters (Girum, February 26, 2015).

As it can clearly be observed from above interview, it is clear that the two countries have good relations in military training areas. It is also observed that Turkish side has been pushing for further engagement such as police academy. During January 22, official visit President Erdogan raised and discussed such issues with Prime Minister Hailemaraim by arguing:

... [Another thing that I want to raise is cooperation on the military and security fronts. We have beefed up the staff of our Embassy here by appointing two Military Attachés. After these two have taken their posts here, we believe the relations between our militaries will be more profound. The framework agreement in the field of Military Cooperation has already been ratified, and now we can start to implement this agreement seriously. We also want to hear from you regarding our offer on military training programs, which is waiting your reaction. There is also a similar offer with regard to police training. This will help us to exchange knowledge and experiences (Haile Mariam, January 22, 2015).

On the other hand, the bilateral security cooperation has been limited. Yet, there are common security concerns such as Terrorism, human trafficking and Piracy. Terrorism and Human Trafficking has increasingly become a very critical issue in many regions of the world. The Middle East and the Horn of Africa are among the most affected regions of the world in this regard.

Particularly, following failure of central government in Syria and Iraq and subsequent emergence of militant group in Turkey's neighbour such as Islamic State in Iraq and Syria (ISIS), which have been notorious word wide as Terrorist group Turkey's security, has been chal-

lenged but survived to the most. It is yet too early to conclude Turkey is safe from ISIS attack. Surprisingly and sadly, Ethiopia, which is too distant from the centre of ISIS, faced the first ever-horrendous attack on April 22, 2015 when the terrorist group slaughtered thirty of its migrant citizens in Libya. The attack was strongly condemned by international community. Turkey was among states that vowed strong message against terrorism and shared sadness with Ethiopia. The attack once again proved that location could not make safe any state from terrorism.

In addition, the war in Yemen has been worsening from day to day Turkey and creating safe haven for terrorist groups such as ISIS and Al-Qaeda. Ethiopia has started deporting its citizens from Yemen. Because there are large numbers of Ethiopian migrants in Yemen, there are fears that there would be more dangers on them. Due to geographic proximity to the Horn of Africa, the instability in Yemen can easily spill into the region by crossing the Red Sea to join with Somalia. This means a crisis belt which will extend from Middle East to the Horn of Africa would be created.

In order to prevent such security scenario from developing both Ethiopia and Turkey must cooperate with other countries of the region. Regarding this Ambassador Girum (2015) suggested:

Political solidarity is essential to address bilateral, regional and global issues. We can work closely with Turkey in addressing common agenda in the region and on global issues. Furthermore, peace and security conditions in the sub-region gave an opportunity for cooperation in the fight against terrorism, drug trafficking, human trafficking, money laundering, crimes and other security threats. Turkey will continue to support AU and UN peacekeeping efforts in Africa.

Ethiopia's fight against terrorism in the past years, results achieved thus far show there are success stories but cannot be guarantee against terrorism. Thus, there are possibilities of security cooperation between Ethiopia and Turkey in counter-terrorism actions in the Horn of Africa and in adjacent regions.

Chapter Six

Social Relations

6.1. Introduction

Ethiopia and Turkey have intimate social relations and development concerns. Within each of these fields of relations, the bilateral cooperation has been increasing. Bilateral Social relations encompass all kinds of people-to-people interactions made outside official State affairs. Development cooperation, in the context of this study, mainly refers Turkey's technical, financial or logistical supports to Ethiopia in any form. These include various development projects and humanitarian aids implemented by either TIKA or other multilateral channels such as UNDP and DAG, AfDB, IMF and World Bank. Development cooperation has been a cross cutting element that touches up on socio-economic relations, and hence will be discussed under various sub-sections of this chapter. The discussions include some elements of social development that among other include education, health, tourism, media, culture and cooperation in social policies.

Accordingly, this section underscores Ethio-Turkish relations based on Ethiopia-Turkey Agreement on Cooperation in the Fields of Education, Health, Science and Technology, Tourism Mass Media Youth and Sports signed on 25 June 2004. There are also several exchanges of MoUs and Protocols in these areas of relations, which establish legal foundation for bilateral cooperation in respective fields.

The discussions mainly focus on education, health and tourism. In addition, the bilateral relations between the two countries in areas of culture, mass media, science and Technology, and Youth and sport are also dealt with.

6.2. Legal Frameworks

Chronologically, the first treaty that deals with Ethiopia-Turkey developmental relations was the Agreement of Cooperation in the field of health signed in 2000. The Agreement aims to develop cooperation in the fields of health and medicine between the two countries. The agreement contains eight articles that deal with areas of future cooperation, modalities of working together, roles and responsibilities of each party with respect to implementation of the Agreement.

As per Article 7 of the Agreement, the Ministry of Health of the FDRE and the Ministry of Health of Republic of Turkey have been assigned for the implementation of the Agreement. The Agreement was signed in Ankara, on March 13, 2000 and was ratified on 8th April 2003 (Federal Negarit Gazeta: Proclamation No. 325/2003).

In 2004, Ethiopia and Turkey have concluded an agreement that positively affected the bilateral relations. The agreement has been named Ethiopia-Turkey Agreement on Cooperation in the Fields of Culture, Education, Science, Mass media, Youth and Sports.

The agreement has the objective to strengthen the friendly relations existing between the two countries. In addition, it has been the manifest desire of the two countries' to expand their mutual knowledge and understanding through the encouragement of relations and cooperation in those fields. The agreement was signed on 25th June 2004 in Addis Ababa and ratified by Ethiopian side one year later on 30th June 2005 (Federal Negarit Gazette, 2005: Proclamation No. 462/2005).

Agreement between Ethiopia and Turkey on co-operation in the field of tourism is the other treaty signed in socio-political area. The agreement was signed in 2007 and aims at developing and strengthening co-operation between the countries in the field of tourism through bilateral co-operation between their tour operators and other specialized bodies with a view to attracting and promoting travel from third countries as well as travel between their countries (FDRE-MFA, 2007).

Investing in tourism development projects of each other's country is also among modalities of cooperation in the field. In this regard, the Turkish side took responsibility to provide technical assistance to study and prepare a plan for the preservation and development of the over 100-years-old walled city of Harar and its vicinity as a major tourist attraction including site and product development (ibid).

In general, the agreements established necessary legal bases for Ethiopia-Turkey cooperation in the field of tourism. The Agreement was signed in Ankara on 8th February, 2007 and ratified by Ethiopian side on May 22, 2008 (Federal Negarit Gazete, 2008: Proclamation No. 577/2008).

The MoU of Science and Technological Cooperation between Ethiopia and Turkey was signed on 22nd January 2015. The MoU implies the desire of two countries' to strengthen and develop cooperation in the fields based on equality and mutual benefit. The modalities of

cooperation would be through joint research and development of projects; exchange of scientists, specialists and researchers; organization and participation in joint scientific meetings; exchange of scientific, technological and traditional knowledge, documentation, and use of research and development facilities and scientific equipment.

In 2001, the protocol on cooperation between the General Directorate of State Archives of the Prime Minister of the Republic of Turkey and the National Archives and Library of the FDRE is the other important cooperation framework for enhancing bilateral relations.

6.3. Education

Ethiopia has strong relations with Turkey in the area of Education. The bilateral cooperation in Education includes, General Education, Technical and Vocational Education and Training, Higher Education and Scientific Research.

Cooperation in General education is facilitates exchanging expertise and in Curriculum development and textbooks. Facilitating linkages and twinning of Ethiopian schools with those of Turkish is part of bilateral cooperation. Technical and Vocational Education and Training is the other proposed area of cooperation between Ethiopia and Turkey. Their cooperation at this level would be realized through Turkish provision of support with regard to training of the Ethiopian trainers in TVET by sending Turkey's experts to Ethiopia and by upgrading workshops, training machineries, equipment, textbooks and other related facilities of TVET institutions in Ethiopia.

At TVET level, there is immense potential of cooperation between Ethiopia and Turkey particularly in the fields of Textiles, leather and construction because the sectors have been listed as priority areas under Growth and Transformation Plan (GTP) goals of Ethiopia.

6.3.1 Institutional Cooperation and Scholarship Grants

Towards realizing cooperation in higher education and scientific research, a number of scholarships have been granted by Turkey to Ethiopia. Since 2009 Turkey has been granting scholarships to Ethiopian students under five programs, which are higher education, undergraduate, graduate, postgraduate and other categories. Accordingly, from 2009/10-2013/14 one hundred and fifty six scholarships (save 2012/2013 for which data is unavailable) have been granted to Ethiopian students. Out of this, the majority of scholarships (67) were granted for undergraduate programmes. The remaining scholarships went to other programs: Higher education (38), Graduate (13), postgraduate (35) and others (3). In addition, Turkey has pro-

posed to grant scholarships for 12 students for the academic year 2015/16. (See Table 6.1. below for scholarships provided to Ethiopian students from 2009-2014).

Table 6.1. Turkish education Scholarships to Ethiopia: 2009-2014

Programmes	2009/10	2010/2011	2011/2012	2012/2013	2013/2014
	Higher Education	5	-	33	-
Under Graduate	-	5	15	-	47
Graduate	-	-	13	-	-
Post Graduate	10	10	15	-	-
Other*	-	3	-	-	-
Total	15	18	76	-	47

Source: AAFGM, 2011 and MFA, 2015.

*The president of religious affairs of Turkey provides these scholarships.

Even though the data in Table 5.1. reveals that Ethiopia has been the receiver while Turkey was the granter of the scholarship opportunities, there has been, a few Ethiopian cases providing education scholarships. One such case is Addis Abba University has been helping a few students from Turkey since last few years. According to a draft MoU proposed to be signed between Ethiopia and Turkey, the former would accept two students each year from the latter (Embassy of Turkey, 2014). The other event is that, on 22nd January 2015, Addis Ababa University has offered an honorary doctorate degree to Recep Tayyip Erdogan, President of Republic of the Turkey, and the President thanked the Addis Ababa University and hailed Ethio-Turkish relations during his acceptance speech.⁹ Thus, while it is a fact that Turkey has been granting more scholarship opportunities to Ethiopia it would be incorrect however, to present the former as granter and the later as receiver.

Turkey's support to Ethiopia also extends beyond regular education and includes various Training opportunities provided by the former to the latter. For instance, Turkey has been training the Ethiopian Federal Police and several Ethiopian police officers are taking training in Turkey. From 2009 to 2011, three diplomats from Ethiopia participated in International

young diplomats training programme organized by Turkish Foreign Service Training Institute (FSTI). In 2011 and 2012 academic year military and police, students have been granted education at the Turkish Police Academy (Turkey Africa Ministerial Review, 2013:51).

Twinning of Ethiopian and Turkish academic and research institutions is another instance of the development cooperation with regard to Higher Education and research programs. According to Ayalew Gobaze, Ethiopian Ambassador to Turkey since 2014, the Embassy has been working to create partnership between Ethiopian and Turkish academic institutions. Towards this goal, a draft MOU has been sent through the Embassy to Adama Science and Technology University and Addis Ababa University to collaborate with Turkish Middle East Technical University (METU) and Ankara University respectively. In addition, there are on-going efforts to strengthen more cooperation between Turkish Yildirim Beyazit University and Debre Birhan University. Furthermore, according to the Ambassador, the Embassy has been waiting response from Mekelle and Gondar Universities to twin with two Turkish Universities. Similarly, efforts have been under way to ensure partnerships between EEIPD and Turkish Strategic Studies Centre (Ayalew, April 4, 2015).

In short, education has been part of Ethiopia-Turkey development cooperation. In this regard, their cooperation ranges from General Education to Higher Education level. However, substantial activities of their cooperation are observable only at the higher education level and Scientific Research programs. Similarly, there are increasing opportunities of cooperation for TVET program due to high demand and supply needs of experience and expertise.

Since 2004, Turkey and Ethiopia relations at primary and general education levels have been institutionalized by Nejashi Ethio-Turkish International School. The following are details of their relations.

6.3.2. Nejashi Ethio-Turkish International School: ‘A sign of Institutionalization and machine of socialization for Ethiopia-Turkey relations in Education.’

Nejashi Ethio-Turkish School is an international private school owned by Two Turkish businesspersons Mr. Murat Yed and Mr. Jelil and it is run under a company called Kaynak Educational and Medical Service plc. (Erol Dede, 2015). The School, founded in 2004 in Ethiopia, is a KG-12 school, focusing on math, science, foreign languages, art and literature subjects (NETS, 2015).

The school has Five branches out of which four are in Addis Ababa (2 Kindergartens, 1 Primary (1-8) and 1 K-12) and one in Mekelle (K-12). As of May 2014, the school has more than 1500 students from 43 different nations with eighty percent of the students from Ethiopia. It has a total of 245 staff; 30 Turkish; 163 Ethiopian teachers and the remaining from various countries (IFLC, 2014:5).

According to Mr. Erol Dede, Coordinator General of Nejashi Ethio-Turkish schools, the school through education bridges between not only Ethiopia and Turkey but also Ethiopia and the whole World. Regarding the naming and significance of the school Mr. Erol Dede explained

The name indicates an historical event that marks the linkage of Ethiopia and Turkey. Because of King Nejashi, Ethiopia has been very popular in Turkey. Nejashi was one of the first converts to Islam. He accepted Prophet Muhammad and accompanied him when he sought refuge, and that event is regarded as 'first hijra'/migration. The name Nejashi Ethio-Turkish is in reference to that historical event which is the sign of tolerance and mutual co-existence (Dede, 2015).

In response to interview question, 'what role does NETS play for Ethiopia and Turkey bilateral relations?' Mr, Dede elaborated

We believe Education is important sector to boost social/cultural relations. Through education, we can bridge bilateral relations. Firstly, Ethiopian students learn with Turkish students in the same class. Some of them (both Ethiopians and Turkish) go to Turkey to complete higher education and then come back to serve here. For instance, we have teachers who have passed through such process who are currently working at Addis Ababa, Haramaya and Mekelle Universities. Through such interactions, our school strengthen people-to-people relations that are manifestation of Ethiopia-Turkey socio-cultural relations.

Secondly, we organize international Forums/events named 'International Language and Cultural Festival' and 'Let's Color Our World' for establishing/sustaining the culture of coexistence and mutual understanding in cooperation with African Union and other local and international organizations. On such forums we organize dia-

logue among cultures for sharing the richness of cultures. We began this last year and completed the second in May 2015.

Thirdly, around 1300 Turkish businesspersons and visitors reached Ethiopia, and more than 800 parents, students and diplomats visited Turkey through our organization until now. Fourth, we grant higher education scholarships to both undergraduate and post graduates opportunities in Turkey (ibid).

On May 28, 2012, a festival under theme of ‘Establishing and Sustaining the Culture of Co-existence and Mutual Understanding’ was organized with support of NETS, TUSKON and other Turkish organizations at AU headquarters and was attended by high officials from African and other countries. Mr. Fetullah Gulen, the leader of Gullen Movement and mastermind of the event, in a message sent from USA expressed his appreciation to Ethiopia and NETS:

Besides, being a key country in Africa, because of having a great resource in terms of population and location, Ethiopia has a potential of becoming a unique example of dialog, peace and coexistence with her ethnic, cultural and religious mosaic. [Moreover], I would like to express my gratitude and blessings to the Turkish Schools and all our Ethiopian friends including the statesmen and academicians who have contributed to the organization of this event in such a valuable country (NETS, 2012)

Administrators of Nejjashi Ethio-Turkish International Schools in Ethiopia have paid a courtesy visit to, the President of Federal Democratic Republic of Ethiopia, Dr. Mulatu Teshome, on October 29, 2013 at the Presidential Palace in Addis Ababa. On the occasion, the President warmly welcomed and praised the activities of the Turkish Schools in Ethiopia and said

I see the Nejjashi Ethio-Turkish Int’l Schools as a bridge between Ethiopia and Turkey and I am aware that the administrators of Turkish Schools here in Ethiopia have helped our activities in Turkey and answered our demands positively always. Many of the Turkish investors in Ethiopia and even some of the honorary counsellors of Ethiopia to Turkey were/are being encouraged to come to Ethiopia by the administrators and board members of your schools. We have formed an environment of mutual trust, and friendship and started this journey together (NETS, 2015).

Further, the President also commented on the roles of the school and students in Ethio-Turkish social ties by saying:

I believe that the students learning at your schools will be very helpful to boost the relations of Ethiopia and Turkey. Having the ability of speaking Amharic and Turkish, they will be quite helpful to the investors and traders by making the links and they will also strengthen the relations and the ties between two countries at all levels (ibid).

The President also encouraged the administrators and suggested that in addition to the quality education. Turkish school as providing education from Kindergarten to Preparatory level, an exemplary university collage should be opened to answer the demands in higher education as well. Lastly, the President underlined the Presidential and governmental support for the educational and social responsibility projects developed and practiced by the school.

In 2014, NETS with its international umbrella organization The International Turkish Education Association's (TÜRKÇEDER) Language and Culture Festival, which brought together 95 students from 27 countries under the motto "Hearts United," was held in Addis Ababa. The festival was an updated version of the Turkish Olympiads and it took place outside Turkey for the first time, after Turkey's Justice and Development Party (AK Party) government refused to allow the event to occur in Turkey. The festival took place in a joyful atmosphere at the headquarters of the African Union in Addis Ababa, and students from countries including the US, Tunisia, Tajikistan and South Korea sang songs in Turkish as well as in Amharic, English, Arabian, French and German. The audience was also entertained by folkloric dances performed by Kyrgyz, Kazakh, Azeri and Ethiopian students (FDRE, MFA, 2014).

Ethiopian President Mulatu Teshome and Prime Minister Hailemariam Desalegn received international students who were in Addis Ababa for the festival. On the event, appreciation was made by FDRE, Prime Minister Hailemariam Dessalegn in the following statement:

Ethiopia greatly valued the importance of quality education and considered the Ethio-Turkish institutional partnership in education as a necessary and solid foundation for Ethiopia's sustainable development. Ethiopia and Turkey share similar culture and religion. These commonalities would encourage and intensify Ethiopia's continued efforts to reach its renaissance in the coming years. [It should be reminded that] the first ever hegira had been made to

Ethiopia where a safe haven was provided for the family of the Prophet and for Muslim immigrants. ..I would like to thank the Nejashi Ethio Turkish International School in Addis Ababa, which has brought people-to-people relations and the international community together in that school (Ethiopian Opinion, 2014)

Many Ethiopian and Turkish guests including Ethiopian State Minister at MFA Dawano Kedir attended the event. Speaking at the event, Dewano thanked Turkish schools in Ethiopia for organizing the event. In addition, Chairman of the Turkish Confederation of Businessmen and Industrialists (TUSKON) Rzanur Meral presented an award to the African Union's political affairs commissioner, Aisha Abdullahi. Speaking on behalf of African Union President Nkosazana Dlamini Zuma, Abdullahi praised the Turkish schools in Africa and said that 'they promote intercultural relations in the world and increase the quality of education in the continent' (ibid). Such engagement of NETS has owed the school higher recognition at the International level.

Besides, through social responsibility projects the school has created wider contacts with local people. These among others include, University hostel for successful students from different departments, regions, faiths and backgrounds free of charge; scholarship projects to continue their high school and university education, provision of water and food for the poor and orphans, drinking water for around 300 families being provided every day (Durhat, 2015).

In short, NETS has been partly an example for institutionalization of Ethio-Turkish Socio-cultural relations and partly a manifestation of Turkish FDI expansion to social service sectors. Irrespective of whichever line of observation one holds the school plays an invaluable role between Ethiopia and Turkey. Thus, by facilitating people-to-people ties and through cultural exchange, NETS would ensure transformation of the *status quo*-State-to-State relations between Ethiopia and Turkey to a level of inter-societal relations.

6.4. Health

In order to develop cooperation in the fields of health and medicine, Ethiopia and Turkey have signed the Health Cooperation Agreement in 2000. For the implementation of the Agreement the Ministry of Health of the FDRE and the Ministry of Health of the Republic of Turkey have become nodal agencies.

Article 2 of the Agreement clearly states the mechanisms to realize the cooperation. These among others include, exchange of information and experts in order to realize short-term education, training, improvement of professional skills and consultancy; and providing direct contact among the related foundations, institutions and organizations (FDRE, 2000).

In addition, the cooperation includes exchange of information on international congresses related with health and medical problems; support for the development of relations and establishment of commercial relations in the field of pharmaceuticals; and treatment of patients on commercial basis (ibid).

During 19-22 October 2009 Doctors Hope Association from Turkey, in collaboration with Turkish International Cooperation Agency, has provided a free health check-up in Oromia region of Ethiopia. Thirty-seven doctors with various areas of specialization have visited hospitals in the region. They have examined 4200 Ethiopians and operated thirty patients. Similarly, during 1-9 April 2010 in collaboration with TIKA, Medical Investigations Associations (TAD) has provided free health check-up in Harar, Ethiopia (Turkey Africa Ministerial Review, 2011)

Moreover, a medical project was implemented in Adwa, Ethiopia on 26 February to 7 March 2010 with the assistance of TIKA and Black Sea Health Members Association (KARSA-MED). The Black Lion Hospital in Addis Ababa (Ethiopia) is among the health institutions to which the Turkish Ministry of Health has made significant contributions (Ministry of Foreign Affairs of Turkey, 2015). Turkish Ministry of Health donated medical equipment and high-tech ambulance to the Black Lion hospital in Ethiopia and the same to Ethiopian authorities in October 2010 (AFGM, 2011:42-45). Furthermore, Berlihan Medical Company from Turkey has exchanged MOU with FDRE, Ministry of Health in early 2015 (FDRE, Embassy Ankara, 2015). The company if became operational will establish Bone and Tissue Bank in Ethiopia which will further ensure institutionalization of Ethiopia-Turkey cooperation in Health sector.

6.5. Tourism

Tourism is the other socio-cultural interaction area where Ethiopia and Turkey has bilateral cooperation. From the desire of developing and strengthening co-operation between their countries in the field of tourism, Ethiopia and Turkey have agreed to work together by the 2007 Tourism cooperation agreement. Ethiopia-Turkey cooperation in Tourism include exchange of data and information related to tourism, co-operation between their tour operators,

and other tourism enterprises and institutions; investing in tourism development projects, technical co-operation in tourism training, and on-the-job-training by way of exchanging experts and instructors and organizing seminars for tourism officials and professionals.

The ancient city of Harar and Nejashi Mosque occupies special significance in Ethiopia-Turkey historical relations. The city of Harar has served as the first Turkish consular office in Africa until 1912. Due to historical significance of the city in Ethiopia-Turkey relations Turkey has agreed to offer technical assistance to study and prepare a plan for the preservation and development of the walled city of Harar and its vicinity as a major tourist attraction. These include site and product development (FDRE, 2007).

In 2014 ILCF Haileariam Dessalegn, FDRE Premier invited Turkish businesspeople to consider the Mosque as one of tourist sites and to invest in it.

Turkish business people and investors as well as members of the international Muslim community should take time to visit the al Najashi Mosque in Tigray Regional State and develop the area. This would strengthen people-to-people relations and turn the area as a leading tourism destination site (Turkey, MFA, 2014).

According to I.durhat, coordinator of TIKA, the organization has been implementing various projects of conservation of cultural heritages that include maintenance of the consular office building at Harar and renewing Nejashi Mosque (I. Durhat, 2015). Besides, various Tourism projects are underway in cooperation with FDRE Ministry of Culture and Tourism and respective Regional State Culture and Tourism Offices.

6.6. Culture, Science and Technology, Mass Media and Youth and Sport

Ethiopia-Turkey bilateral cooperation also extends to sectors such as Culture, Science and Technology, Mass Media and Youth and Sport. The legal frame work for cooperation in these areas was laid by 2004 Ethio-Turkey Cooperation Agreement In the Fields of Culture, Education, Science, Mass media, Youth and Sports. Towards realization of the agreement implementation programme was formulated 2013. Based on the agreement various cooperation projects and institutions have become operational in these areas and are separately presented below.

6.6.1. Culture

Cultural relations can contribute to the promotion of bilateral cooperation. With similar intention, Ethiopia and Turkey have agreed to establish bilateral cooperation in the fields of culture through exchange of experience between their cultural and artistic organizations and institutions. Conservation and preservation of cultural and historical heritages pursuant to the relevant conventions of UNESCO and other international agreements is part of the agreement. Prevention of illegal importation/exportation and transfer of works of art, cultural artefacts and properties are also included in the agreement. The two states further agreed on protection of intellectual property and copyright and exchange of information, publications and documentation concerning their respective legislation and practices related to the settlement of disputes on intellectual property and copyright issues.

The modalities of cooperation include conduct of joint programmes, studies and other activities, and exchange of scientists and experts within the framework or joint research programmes in the fields of archaeology, anthropology and palaeoanthropology, visits of cultural administrators and planners.

Moreover, the two countries cooperate in the fields of theatre, music, opera, and ballet and in other artistic fields; cinematography and promotion of contacts between their respective film production authorities and institutions. The realization of traditional and contemporary art exhibitions, exchange of artists and show groups in various fields of music, museums, archives and libraries and exchange of scientific publications and documents are extremely successful.

6.6.2. Science and Technology

In order to establish cooperation in the fields of science and technology the two countries have signed MoU on Scientific and Technological Cooperation between respective ministries on January 22nd, 2015 at Addis Ababa.

The MoU proclaims the modalities of cooperation and establishment of a Joint Committee that evaluates the implementation of the agreement. Organization and participation in the joint scientific conferences, Joint research and development of projects, specialists and researchers; exchange of scientific, technological and traditional knowledge and documentation, and joint use of research and development facilities and scientific equipment are the ma-

major modalities of cooperation between Ethiopia and Turkey in the fields of Science and Technology.

Technical cooperation between the Quality and Standards Authority of Ethiopia (QSAE) and the Turkish Standards Institution (TSE) is the other manifestation of cooperation in Science and Technology of the two countries. The areas of cooperation in this regard include Standardization, Certification, Metrology and Calibration, and Exchange of Information (Quality and Standards Authority of Ethiopia (QSAE), 2007).

6.6.3. Mass Media

In the media sector, Ethiopia and Turkey relations involve cooperation and direct contacts between their news agencies, press, and radio and television organizations. Besides, cooperation involves the support and exchange of radio and television programmes produced and/or broadcast/telecast in their countries, and further efforts to facilitate the free flow and wider dissemination of information of all kinds (FDRE, 2004). Such cooperation helps to encourage and improve cooperation in the fields of press and broadcasting, inclusive of such opportunities offered by modern means of communications such as cable and satellites.

On October 10, 2002, a cooperation agreement was signed between Ethiopian News Agency (ENA) and Turkish Anadolu Agency (AA). The agreement was signed with the view to 'providing better information and establishing regular exchange of content on the developments in the two countries' (Embassy of the Republic of Turkey, Addis Ababa, 2013).

Towards that goal, ENA and AA agreed to grant each other the right to use their English newscast in Ethiopia and worldwide, to provide each other with press coverage of certain events; not to alter the content, meaning and tone of the material as received and to use © copy right phrase in the news that delivers to their respective clients.

Furthermore, the parties have agreed to exchange their experience and technical assistance through contacts between their editorial staff, experts, journalists, press photographers. In addition, AA granted ENA that it could participate in the War Journalism Certificate Program of Anadolu Agency with 10% discount to total amount when ENA sends more than five journalists to the program.

Apart from existing partnerships and cooperation between various media institutions of the two countries, by opening its regional office in Addis Ababa in May 2014, AA realized insti-

tutionalization of their bilateral relations in Mass media field. The new Ethiopian bureau is the agency's biggest in Africa after Cairo and Tunis. The new Addis Ababa bureau would cover all African issues. With around 1500 subscribers around the world, AA is one of the most respected news agencies in the world (Anadolu Agency, 2014). The Agency's Addis Ababa office produces Africa news in the English, Arabic, Turkish and French languages.

The opening of the media in Ethiopia has contributed to Turkey-Africa relations in general and Ethio-Turkish bilateral relations in particular. For Ethiopia, it would improve its status of international media hosting on one hand, and its media coverage by external Medias on the other hand. Mr. Ewnatu Bilata, State Minister at FDRE Government Communication Affairs Office (GCAO) argued that *AA's new Ethiopia bureau and Ethiopia's official news agency would work together as real partners*. The two agencies can share experience, technology and expertise (ibid). The state minister also promised to provide the necessary support to make AA's work successful. Since its official inauguration in 2014, AA has been producing and broadcasting various news reports that focus on Africa/Ethiopia.

Briefly, Ethio-Turkish mass media cooperation has been growing since the beginning of last decade. In 2002, their relation in Mass media was only expressed by 'terms of use' agreement between ENA and AA. In 2004, a comprehensive agreement that also includes mass media was signed between Ethiopia and Turkey. The agreement developed mass media relations of the two countries to a broader scope and stronger cooperation. The Opening of AA regional office in Addis Ababa in 2014, realized the institutionalization of Ethio-Turkey mass media relations. Thus, Ethiopia-Turkey mass media relations helps to further cement bilateral socio-cultural ties between the two countries.

6.6.4. Youth and Sport

Ethiopia-Turkey cooperation in Youth and Sport has emerged out of the importance and recognition that sports serves as a means of consolidating and promoting the culture of peace, unity and friendship among the peoples in general and the youth in particular. In addition, the significance of the educational, social and recreational mission of sports, as well as its particular contribution to public health has also been acknowledged by the both states. With such understanding and recognition, Ethiopia and Turkey have agreed to work together in fields of Youth and Sport. Accordingly, the cooperation would involve exchange of sportsmen, sports teams, coaches, experts and youth delegations with a view to facilitating their participation in the international sports festivals and tournaments in their respective countries.

According to FDRE, Sports Commission (2014) Ethiopia has fostered additional areas of agreement with Turkey in the areas of professional sport training for coaches and instructors; sport tourism; sport facilities, equipment, and organization and management of sport, and other sport issues and exchange of resource and technical supports for sport development and peace programs. .

In the history of Ethiopia-Turkey relations in Youth and sport the story of three Ethiopian women athletes namely Evan Abeyegesse, Alemitu Bekele and Chaltu Girma Meshesha (Sultan Haydar) who changed their citizenship to Turkey is worth mentioning. Sultan Haydar, born Chaltu Girma Meshesha in Ethiopia on May 23, 1985 in Golerogi, is an Ethiopian-born Turkish female long-distance runner. Abeyegesse is also Ethiopian-born athlete, who has been competing for Turkey. Abeyegesse is a two-time Olympic medallist, with her silver medals in the 5,000m and 10,000m races in the 2008 Beijing Olympic Games. Similarly, Alemitu Bekele Degfa, born on 17 September 1977 in Shewa, Ethiopia is a Turkish long-distance runner, who specializes in the 5000 metres (wikipedia.org. 2015).

Regarding this, President Dr. Mulatu Teshome, former Ethiopian Ambassador to Turkey expressed his feeling about the changing of citizenship of one of the Athlete in the following statement:

There is someone from Ethiopia who is very well known in Turkey: Elvan Abeyegesse. She is an Ethiopian athlete who has gone on to become a Turkish citizen. Turks are optimistic about her: world records and athletic awards. She has not yet been able to deliver, but Turks have embraced her very warmly...Elvan can simply be a symbol of friendship between Ethiopia and Turkey. She is a gift from Ethiopia to Turkey, I could say. She is a very good athlete. Nevertheless, at the same time, in Ethiopia, we have thousands of Elvans. Giving one among these thousands really does not hurt us, because she will give us friends in return (Today's Zaman, 2007).

On the other hand, Ethio-Turkey cooperation with respect to youth incorporates activities such as development and implementation of joint youth policies and projects; youth empowerment, experience sharing in capacity building of youth leaders; promotion of youths on technical, vocational and entrepreneurship trainings skills. The two states also sought to support each other in the prevention and combating of trafficking especially among the youth

and in protection and assistance of victims of such trafficking in respect of their human rights (Embassy of the Republic of Turkey, 2013).

In general, Ethiopia and Turkey have relations in Culture, Tourism, Mass media, Science and Technology, and Youth and sport. Their relations in these fields have been growing, but with varying scales. However, the implementation of the agreement has been delayed for years partly due to delay in ratification process and partly due to lack of concrete implementation programs for specific agreements. The first implementation program of the agreements was enacted in 2014 and stays until 2016. The program includes detailed activities and modalities of cooperation regarding the fields mentioned and can be taken as progress as far as the implementation process of the agreement is concerned.

Chapter Seven

Conclusion

The objective of this study was to review multidimensional relations of Ethiopia and Turkey since the beginning of this Millennium. Towards that goal, the study has assessed Ethiopia-Turkey bilateral relations from economic, political and social aspects. In doing so various variables that highlighted, the bilateral relations have been identified. The size and degree of influence of each variable has also been measured by their respective outcomes posed to the bilateral relations. In the study, qualitative research method has been effectively employed. The data collection tools have enriched the study with sustainable flow of information from pertinent sources.

Their historical relations have significantly influenced contemporary relations between Ethiopia and Turkey. The influence of history on the contemporary relations of the two states indicates partly a foreign policy reorientation of Turkey that narrates Ottoman rhetoric and partly positive understanding of the past by foreign policy makers in Ethiopia. Strategic locations of Ethiopia and Turkey within the Horn of Africa and the Middle East respectively have also influenced the foreign policies of both states. For Turkey, Ethiopia serves as a gateway to the whole continent. The emphasis on Strategic location shows economic and security interests attached to the bilateral relations. That is, Turkey recognizes Ethiopia's strategic position within the Horn of Africa to manoeuvre over peace and security activities of the region. From Ethiopian side, economy diplomacy goals have largely influenced the importance of Turkey's strategic location. Thus, Ethiopia and Turkey need to recognize and appreciate their strategic relations by signing Strategic Partnership Agreement that would mark the special status of their relations.

However, more than the history and the strategic location of these two countries, economic globalization has been the most striking and inevitable factor that shaped the momentum of post-cold war Ethiopia-Turkey relations. Exchange of goods and services, firms and people between the two countries have been growing rapidly. Trade, FDI, aid and trade fair are the main indicators. In all these interactions, Turkey has been dominant and more beneficiary, which imply asymmetrical economic interdependence. For instance, Ethiopia-Turkey bilateral trade from 2002 to 2014 has been marked both by rapid and fluctuating volumes on one hand, and asymmetrical balance of trade towards Turkey and expanding deficit for Ethiopia

on the other hand. In order to benefit more from economic relations with Turkey, Ethiopia needs to devise and stress mitigation strategies that would reduce its long-term economic vulnerability. Among others Ethiopia, might improve its benefits by opening commercial and/or consular offices in business hub cities of Turkey such as Istanbul and Izmir. Moreover, Ethiopia's gain from Turkish FDI could be achieved through technology transfer, employment creations and export gain. Sustained development cooperation can also significantly contribute to fill development gaps in Ethiopia.

Cordial political relations also manifest post 1991 Ethiopia-Turkey relations. Frequent diplomatic contacts between higher officials of the two states; bilateral political consultations, and military cooperation; and cooperation over regional peace and security have manifested strong political relations between the two states. Mutual Visits have improved diplomatic communications thus opening the way for expanded interactions into track-two diplomacy that mainly involved business-to-business (B2B) negotiations. Bilateral military cooperation has been minimal and growing at a slower phase when compared to collaboration over regional peace and security.

Ethiopia and Turkey have mutual security interests with regard to Somalia. Both countries are working to stabilize Somalia but through different mechanisms and approaches. Thus, mutual interests and common goal on one hand and, misunderstanding and competing, instead of complementary approaches and strategies on the other hand characterize Ethiopia-Turkey military cooperation in Somalia. To improve cooperation over Somalia, the two countries should work together by identifying common goals and adhering to initiatives of international, continental and regional bodies. Overall, maintaining neutrality over third state issues that would negatively affect the bilateral relations would help to sustain cordial and smooth bilateral relations. Growing relations at bilateral and regional levels have reinforced cooperation at the global level.

Social relations have been the other significant area of relations between Ethiopia and Turkey during last thirteen years. Institutionalization of education and mass media through Nejashi-Ethio-Turkish School and Anadolu Agency respectively has been the remarkable achievements of their social relations. However, the fate of the school remains unclear because of a recent conflict that emerged between the AKP party and Hezmet movement leaders- a group to which the school has relations.

End Notes

¹ With a Gross Domestic Product (GDP) of \$786 billion, Turkey is the 18th largest economy in the world. In less than a decade, per capita income in the country has nearly tripled and now exceeds \$10,000. The data was retrieved from www.worldbank.org/en/country/turkey/overview. December 27 2014.

² The order of precedence of diplomatic representation has been observed from special code (CD) assigned to plate number of Embassy Vehicles. Accordingly, 01 is for Italian cars, followed by the French (plate code 02), the British (03), the American (04) and the Belgian (05) and Turkey (06).

³ TUSKON is a non-governmental and non-profit umbrella organization representing 7 business federations, 178 business associations and over 42,000 entrepreneurs from all over Turkey. With four foreign representative offices in Brussels, Washington, Moscow and Beijing and now with a fifth office to be opened in Addis Ababa and partner organizations on 140 countries. TUSKON has created the strongest domestic and international business network of Turkey

⁴ The sixth JEC meeting was held in Ankara from March 20-22, 2012. The Ethiopian delegation was headed by Mekonen Menyazewal, Minister of Industry and the Turkish delegation was headed by Nihat Ergun, Minister of Industry and Technology. During the meeting the Ethiopian side recalled the request of inclusion of major Ethiopian export products under the Generalized System of Preferences and the Turkish side agreed to consider the request. To ensure major Ethiopian export products have preferential access to its market, Turkey expressed its intention to start negotiations for Free Trade Agreement (FTA) and expressed its support for Ethiopia's accession to WTO. The Ethiopian side responded to initiate negotiations on FTA with Turkey following accession to WTO.

Furthermore, Both sides discussed and agreed to cooperate in Trade capacity building, export promotion activities, joint business council, trade facilitation, finance cooperation, industrial and technical cooperation, transportation, energy and mining, agriculture, education and urbanization.

⁵Fourteen participants attended the meeting. From Ethiopia Director General of Europe (MFA), Director General (Civil Aviation), Director of North and Eastern Europe (MFA), Turkey Desk Officer (MFA), senior advisor (NBE), senior expert (MoT), Director of Policy study, (MoI) and Export expert (EIC). From Turkey side, foreign trade specialist (MoE) , for-

eign trade expert (MoE), Researcher (MoENR), Commercial Counsellor(MoE), Head of Department (MoENR), Head of Department (MoE) and Turkish Ambassador to Ethiopia

⁶ Turkish Cooperation and Coordination Agency (TiKA) (2015). *ETIYOPYA: Proje ve Faaliyetler. Necaşi Türbesi ve Camisi Restorasyonu; Oromia BÖlgesinde 20 Adet Su Kuyusu Projesi; Etiyopya Kalkınma Bankası ile Teknik işbirliği; Harar Son Osmanlı Konsolosluk Binasının Restorasyonu; Etiyopya da 40 yetim Aileye Hayvancılık Alanında Destek*. The notes were taken from flyer prepared by TiKA in Turkish language. The note was translated with help of translator at TiKA head office in Addis Abbaba during interview with director of the Company.

⁷ Under MFN, a country's exports receive the same tariff treatment as any other country with MFN status.

⁸ MFA, (1995). *የኢትዮጵያ ቱርክ ግንኙነት*. A Short study document titled 'Ethiopia-Turkey relations' sent from European and American Directorate of MFA, FDRE to Ethiopian Embassy in Rome dated 29/7/87 Ethiopian calendar. Until 2006, Ethiopian Embassy in Rome had been accredited to Turkey. The document was accessed from secret archives of MFA.

⁹ Higher government officials of Ethiopia such as FDRE President Dr. Mulatu Teshome, Dr. Tedros Adhanom, Minister, FRDRE, MFA; ato Kasa Teklaberhan, Spokesperson of FDRE House of Federation; and Dr Admasu Tsegaye, President of AAU, attended the ceremony.

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Appendices

Annex 1. Letter from emperor Haileselesie to Kemal Ataturk 



The Argus Hailessalassie to Turkey.pdf

Annex 2. Major Turkey Firms in Ethiopia from 2012-2014

02-Feb-12	Tektonics Construction Elements Production PLC	Turkey	Manufacturing of Aluminum Products For Construction and Assembling	Addis Ababa
22-Feb-12	Hay Garment Manufacturing PLC	Turkey/Ethiopia	Garment Manufacturing	Addis Ababa
06-Mar-12	Ozyurt Madencilik Insaat Sanayi Ve Ticaret Anonim Sirketi (Eth. Branch)	Turkey	General Contractor (Grade one)	Addis Ababa
12-Mar-12	OMO Valley Farm Cooperation plc	Turkey/Ethiopia	Cotton Farming	SNNPR
22-Mar-12	STAR WATER WELL DRILLING PLC	TURKEY	WATER WELL DRILLING /GRADE 1/	Addis Ababa
06-Apr-12	Inkisaf Furniture and Decoration PLC	Turkey	Production of Furniture and Decoration /Expansion/	Addis Ababa
16-Apr-12	Baltona Sugar Manufacturing PLC	Turkey	Processing of Crystal Sugar in to Cube Stick and Warpped Sugar	Addis Ababa
30-Apr-12	Etur Textile PLC	Turkey	Construction Machinery Rental	Addis Ababa
14-May-12	Isik Detergent, Chemical and Textile Factory PLC	Turkey	Garment Manufacturing	Addis Ababa
16-May-12	Bunyamin Atik	Turkey	Manufacturing of Metal Structures From Aluminum	Oromia
17-May-12	Three MS Construction Rental PLC	Turkey/Ethiopia	Water Well Drilling /Grade One/	Addis Ababa
30-May-12	Saygin Gold Architectural and Engineering Consultancy plc	Turkey	Architectural Technical and Consultancy Service	Addis Ababa
16-Jun-12	Bef Industry Plc	Turkey	Manufacturing of PVC Window, Door and Parton	Addis Ababa
25-Jun-12	Else Addis Industrial Development plc	Turkey	Vertical Integrated Textile Manufacturing /Expansion/	Oromia
02-Jul-12	Suna Home Textile Production and Marketing plc	Turkey/Ethiopia	Textile Manufacturing	Addis Ababa
04-Jul-12	Akseker Ethiopia Bloket plc	Turkey	Manufacturing of Aluminum Doors and Windos	Tigray
05-Jul-12	Guvenc Construction Industries and Trade Limited Company (Eth. Branc)	Turkey	Building Construction (Grade one)	Addis Ababa
19-Jul-12	Yusuf Demez	Turkey	Construction Chemical Manufacturing	Oromia

23-Jul-12	Ethiollibe Ethiopian Lubricating Oils Production plc	Turkey	Production of Lubricating oil	Afar
30-Jul-12	Ufulu Textile Production plc	Turkey	Garment Production	Oromia
30-Jul-12	Istanbul Specialized Restaurant plc	Turkey/Ethiopia	Star Designated International Standard Turkish Specialized Restaurant	Addis Ababa
31-Jul-12	Tamteks Addis Textiles plc	Turkey	Textile Manufacturing for Export	Oromia
01-Aug-12	MBC Addid Cleaning Chemicals and Cosmetics Production plc	Turkey	Detergent Manufacturing	Oromia
05-Sep-12	Atlas Water Well Drilling plc	Turkey	Water Well Drilling (Grade one)	Addis Ababa
05-Sep-12	Ali Bugurca	Turkey	Manufacturing of Construction Equipment	Oromia
07-Sep-12	Angles Cotton and Textiles Production plc	Turkey	Building Construction Grade one (BC-1)	Addis Ababa
10-Sep-12	Deep Water Technology plc	Turkey	Water well Drilling (Grade one)	Addis Ababa
13-Sep-12	Paco Dairy Food Industry plc	Turkey	Processing of Milk Products	Addis Ababa
17-Sep-12	Vigo Textile and Cosmotics Manufacturing Plc	Turkey	Garment Manufacturing	Addis Ababa
24-Sep-12	Ekosan and Hassen Idris Household Appliances plc	Turkey/Ethiopia	Production of House Hold Appliances	Oromia
09-Oct-12	Turafro Building Materials Manufacturing and construction plc	Turkey	Construction machinery Rental	Addis Ababa
29-Oct-12	Uludag Furniture plc	Turkey	Manufacturing of House Hold and Office Furniture	Oromia
05-Nov-12	Dynamic Transformer Industry plc	Turkey/Ethiopia	Manufacturing of Transformer	Addis Ababa
15-Nov-12	Benolava Furniture Manufacturing plc	Turkey/Ethiopia	Manufacturing House Hold and office Furniture	Addis Ababa
28-Nov-12	Mert Cleaning Chemicals and Cosmetics production plc	Turkey	Manufacturing of Cleaning Detergent, Soap, Toilet Articles and Cosmetics	Oromia
31-Dec-12	Ergin and Ferhat Iron Manufacturing plc	Turkey	Manufacturing of Structural Metal Products	Oromia
01-Jan-13	MNS Manufacturing plc	Turkey	Furniture Manufacturing	Oromia
08-Jan-13	Bultex Production and Marketing plc	Turkey/Ethiopia	Garment Manufacturing	Addis Ababa

09-Jan-13	Omo Valley Farm Cooperation PLC	Turkey/Ethiopia	Water Well Drilling /Grade One	SNNPR
14-Jan-13	Nazar Furniture Manufacturing PLC	Turkey	Furniture Manufacturing	Addis Ababa
18-Jan-13	AK Steel Engineering PLC	Turkey	Manufacturing of Basic Iron Steel Pipe and Tube Mills	Addis Ababa
19-Feb-13	Sesli Dis Ticaret ve Yetirim Anonim Sirketi (Ethiopian)	Turkey	Manufacturing of Blanket	Oromia
28-Feb-13	Fermanoglu Construction Tourism Trade Industry Limited	Turkey	General Construction (Grade one)	Addis Ababa
05-Mar-13	Akper Textile plc	Turkey	Manufacturing of Textile	Oromia
07-Mar-13	Pier Lotti Trading and Industry plc	Turkey/Ethiopia	Star Designated International Standard Turkish Specialized Restaurant/Expansion/	Addis Ababa
14-Mar-13	Atayol Asfalt Taahhut Insaat Akaryakit Enerji Sanayive Ticaret Anonim Sirketi /Ethiopia Branch/	Turkey	General Contractor Grade One /GC-1/	Addis Ababa
20-Mar-13	Altin Jewellery Jewells manufacturing mining plc	Turkey	Assembling of Gold processing and mining Machineries	Addis Ababa
29-Mar-13	Toros Fish white and red meat fruit juice grains production and processing plc	Turkey	Growing and processing of animal feedings	Oromia
02-Apr-13	Can Textile Production plc	Turkey	Textile manufacturing	Oromia
09-Apr-13	Akgun Construction machinery industry and foreign trade lc(Eth. Branch)	Turkey	Industrial zone Development and Leasing	Oromia
22-Apr-13	S.T.Z Manufacturing plc	Turkey/Ethiopia	Manufacturing of electrical home appliances	Addis Ababa
10-May-13	Muharrem and Seifen Construction plc	Turkey/Ethiopia	General Contractor one (G-1)	Addis Ababa
10-May-13	Hasan Huseyin Vicdan	Turkey	Tour Operation /Grade One/	Addis Ababa
17-May-13	Faran PVC profile Manufacturing PLC	Turkey/Ethiopia	Manufacturing of Plastic Products Used as Input for Building and Plastic Pipes	Addis Ababa

03-Jun-13	Paksoy Insaat General Construction PLC	Turkey/Ethiopia	General Contractor /Grade One/	Addis Ababa
07-Jun-13	Supreme Energy and Resource PLC	Turkey/Ethiopia	Importation of LPG and Bitumen	Addis Ababa
18-Jun-13	Uludag Furniture PLC	Turkey/Ethiopia	Manufacturing of House Hold and Office Furniture /Expansion/	Oromia
19-Jun-13	Mustafa Farku Yilmaz	Turkey	Manufacturing of Domestic Electrical Appliance	Oromia
25-Jun-13	Mutlu Turkish Restaurant and Dairy Food Industry PLC	Turkey	Dairy Farm and Milk Processing	Oromia
25-Jun-13	KCC Corrugated Cardboard Industry PLC	Turkey	Manufacturing of Corrugated Paper, Paper Board and Container of Paper	Oromia
10-Jul-13	Zeman Machinery Commitment Construction Industry and Trade Co.Ltd /Ethiopia Branch/	Turkey	Manufacturing of Structural Metal products /Door and Window/	Addis Ababa
22-Jul-13	Turafro Building Materials manufacturing and Construction pls	Turkey	General Construction (grade one)	Addis Ababa
31-Jul-13	Emirofli Cihan	Turkey	Manufacturing of Domestic electrical Appliance (Expansion)	Oromia
29-Aug-13	Dmla Water Well Drilling plc	Turkey	Water well drilling (grade one)	Addis Ababa
10-Sep-13	Oyap Ethio Industrial and trading pls	Turkey	Manufacturing of rubber products	Oromia
19-Sep-13	Bybella Furniture plc	Turkey	Manufacturing of office and household furniture (excluding those made of ceramic)	Oromia
30-Sep-13	Asaakyurek Business plc	Turkey/Ethiopia	Assembling of Agricultural Machineries	Addis Ababa
04-Oct-13	Kumtek Industrial PLC	Turkey	Manufacturing of Domestic Electrical Appliances	Oromia
28-Oct-13	Plat Industrial Works plc	Turkey	Manufacture of electrical wires or cables and related production	Oromia
01-Nov-13	Demka Textile and Investment PLC	Turkey	Manufacturing in Weaving Finishing and Printing of Textiles	Oromia
06-Nov-13	Mahmut Duran	Turkey	Manufacture of Office and Household Furniture /Excluding Those Made of Ceramic/	Addis Ababa

15-Nov-13	Fal Medical Manufacturing PLC	Turkey/Ethiopia	Manufacturing of Medical Equipment/Irradiation,Electromedical or Electro Therapeutic Equipment/	Addis Ababa
27-Nov-13	Betonsa Manufacturing Of Construction Machineries PLC	Turkey	Manufactur of Special Purpose (For Agriculture, Food Processing, Beverage Textile & Mining Production & Similar Activites Machineries)	Oromia
18-Dec-13	Volcanic Building Materials Factors PLC	Turkey	Manufacture Of Special Purpose Machinery /For Agriculture Food Processing, Mining Production And Similar Activies	Addis Ababa
20-Dec-13	Texom Construction PLC	Turkey	Building Construction (Grade One)	Addis Ababa
15-Jan-14	Aycoom Agricultural Production PLC	Turkey/Ethiopia	Cotton Farming	SNNPR
03-Feb-14	Erkabna Transformer Industry PLC	Turkey/Ethiopia	Manufactring of Transformer and Aassembling	Addis Ababa
04-Feb-14	Gaizo Garment Industry Share Company	Turkey/Ethiopia	Development Industrial Zone	Addis Ababa
14-Feb-14	BMES Agriculture PLC	Turkey	Animal Feed Production ,Cattle, Raising Meat Procesing	Oromia
28-Feb-14	Ayka Addis Textile and Investment Group PLC	Turkey	Integrated Textil and Garment Factory (2nd Expansion)	Oromia
10-Mar-14	M T S Metal Manugfacturing PLC	Turkey	Manufacturing of Structural Metal Products,Tanks,Reservoirs and Containers or Steam Generator	Addis Ababa
12-Mar-14	Fatih Mehmet Yangin	Turkey	Building Construction Grade One (BC-1) (Expansion)	Addis Ababa
01-Apr-14	Mobil and Furniture Manufacturing PLC	Turkey/USA/Ethiopia	Manufacture o Wood Products (Excluding Sawmilling Timber Making and Assembling of Semi Finished Wood Product)	Oromia
14-Apr-14	Avanda Plastic Industry PLC	Turkey	Manufacturing Of Plastic Products (Excluding Shopping Bags)	Oromia

Annex 3, List of products covered under the GSP scheme of Turkey, by sectors

Sector Num-	Description	Product Coverage
1	Other products of animal origin	0509.00.90.00.11,12
2	Lac, gums and resins	1302.12.00.10.11,12; 1302.12.00.90.11,12; 1302.13.
3	Waxes of animal and vegetable origin	1505.00.10; 1516.20.10; 1517.90.93; 1518.00.10; 1518.00.91; 1518.00.95.10.90; 1518.00.99;
4	Edible preparations and beverages; products of tobacco	1702.90.10; 1704.90.10; 18.03; 18.04; 18.05; 1806.10.15; 1901.90.91; 2001.90.60; 2008.11.10; 2008.91; 2101.11.11.10,90; 2101.11.19.10,90; 2101.12.92.10,90; 2101.20.20.00.11,19; 2101.20.92;
5	Mineral products	Chapters 25-27 (Including chapters 25 and 27)
6	Products of chemical or allied industries	Chapters 28-38 (Including chapters 28 and 38)
7	Plastics and rubber	Chapters 39 and 40
8	Leather, raw hides, and skins	Chapters 41-43 (Including Chapters 41 and 43)
9	Wood	Chapters 44-46 (Including Chapters 44 and 46)
10	Paper	Chapters 47-49 (Including Chapters 47 and 49)
11 (a)	Textile	Chapters 50-60 (Including Chapters 50 and 60)
11 (b)	Clothing	Chapters 61-63 (Including Chapters 61 and 63)
12	Footwear	Chapters 64-67 (Including Chapters 64 and 67)
13	Glass and ceramic	Chapters 68-70 (Including Chapters 68 and 70)
14	Jewellery and precious metals	Chapter 71
15	Base metals and articles of base metals other	Chapters 72-83 (Including Chapters 72 and 83) other
16	Electro-mechanics	Chapters 84 and 85
17	Transport equipment	Chapters 86-89 (Including Chapters 86 and 89)
18	Optical and clocks	Chapters 90-92 (Including Chapters 90 and 92)
20	Miscellaneous	Chapters 94-96 (Including Chapters 94 and 96)
21	Works of art collectors' pieces and antiq	Chapters 97-99 (Including Chapters 97 and 99)

Annex 4. Visits between higher officials of Turkey and Ethiopia

a. Visits at head of state and/ government

- 1926- Emperor Haile Sellasie
- 1959- “ “
- 2005- Prime Minister Recep Tayep Erdogan
- February 2007- Prime Minister Meles Zenawi
- 2009- Prime Minister Recep Tayep Erdogan
- May 2011- “ “ “
- 2015- President of Republic of Turkey January 22, 2015

b. Visits from Turkey to Ethiopia at Ministerial Level

- ❖ August 2010, Ahmet Davutoglu. Turkey’s Minister, Ministry of Foreign Affairs.
- ❖ August 22, 2011 “ “ “
- ❖ December 16, 2012 “ “ “
- ❖ January 2014. “ “ “
- ❖ 8-10 March 2011. Zefer Caglayan. Minister, Ministry of Turkey
- ❖ January 6-9 , 2009. Binali Yildirim. Minister, Ministry of Transport

c. Visits from Ethiopia to Turkey at Minister Level

- ❖ December 28-January 1, 2009. Teshome Toga. Head of Parliament of Ethiopia
- ❖ February 8-10, 2009. Seyoum Mesfin. Minister, MFA of FDRE
- ❖ June 1-7, 2009. Girma Birru, Minister, Ministry of Trade and Industry Participated in the TUSKON-Turkey World Trade Bridge Program.
- ❖ July 18-22, 2009. Juneydin Sado. Minister, Ministry of Science and Technology
- ❖ August 27- September 2 2009. Girma Birru, Minister, Ministry of Trade and Industry
- ❖ June 14-16, 2010. Girma Birru, Minister, Ministry of Trade and Industry Participated in the TUSKN-Turkey World Trade Bridge Program
- ❖ March 16-22 2009. Asfaw Dengamo. Minister, Ministry of water resources to participate in the fifth World Water Forum
- ❖ April 27-30 2009. Siraj Fegessa. Minister, Ministry of Defense
- ❖ April 5 2010. Siraj Fegessa. Minister, Ministry of Defense, to participate in the international defence industry fair
- ❖ May, 2011- Hailemariam Dessalegn, Deputy prime Minister and Foreign Minister; to participate on frame work of the UNLDCS IV meeting hosted by Turkey in and First Africa Turkey Partnership Ministerial Conference held in December 2011

Annex 5. Key Informant Interview Questions

5.1. FDRE, Ministry of Trade

- Importance of the ministry, and Trade to Ethiopia?
- Which countries are the leading trade partners of Ethiopia?
- How much is trade with Turkey important to Ethiopia/ how would you describe Ethiopia-Turkey trade relation?
- When did it start, and how is it going?
- What are the items of trade between the two countries? What Ethiopia Import from, and Export to Turkey?
- Are these items different from trade items with other countries?
- Which import/export item is unique/special (if any) to Ethiopia-Turkey Trade?
- Are there missed opportunities in the partnership? What are the causes? What do you think should be done to tackle the problem?
- How about balance of payments? What did it indicate? What should be done to improve?
- Is the trade important beyond import/export (Non-economic importance...)?

5.2. Ethiopian Investment Commission

- Your mission, objectives, stake holders.
- How do you describe investment environment of Ethiopia/current/?
- What are importance's of FDI to Ethiopia? /How does it benefit our country?
- How do you see trends of FDI in Ethiopia; rapidly growing, slowly growing or decreasing? Why? What are your contributions (as EIC) in attracting FDI?
- Which countries are leading in FDI inflow? Which sector is most attractive (generally)?
- How much is Turkey's investors important to Ethiopia?
- How is the trend since last two decades?
- What factors are responsible for such trends
- How many Turkish companies/firms are licensed, operating, negotiating etc
- In which sectors they are engaged? Are these sectors Preferred or by default?
- Can you sketch their distribution by regions or areas of business activities?

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- What are challenges with regard to foreign investment/ors in general, and tur-key investors in particular?
 - Are there some disagreements with Turkey's firms so far? For instance, from local community, regional governments? If any, are they solved or pending? How do you solve? Can we say these are disadvantages of FDI? What Le-gal/institutional mechanisms do you use to resolve such complaints?
 - What are Prospects of Turkish FDI?
 - Other than capital inflow, are there significances of Turkey FDI?
 - Is there institutional cooperation with which EIC is working to meet its objec-tives? Mention...

5.3. FDRE, MFA; European Affairs

- How do you describe historical relations between the two countries
- Currently, why Ethiopia is important to Turkey?
- What are the major areas of their relations? How about their scope ?
- Which area is most important in their relations?
- How do you generally describe their relations, in all these areas? With what indi-cators do you rate?
- What factors enabled the bilateral relations to be found on such status?
- Are there other institutions, other than embassy, that represent Ethiopia-Turkey re-lations; which ones and what roles they are playing?
- Outside bilateral relations do Ethiopia and Turkey have common interests; for in-stance on regional or global issues? How are they working together? What will be benefits of working together?
- Are there some issues of disagreement/misunderstanding either in bilateral or mul-tilateral interactions? If any, how did/do you deal with them?
- Is there any missed opportunity that the countries' should have worked together?
- What are challenges and/or prospects of their relations? What would you propose to reduce challenges and tap on the prospects?

5.4. Nejashi Ethio-Turkish International School Director/coordinator

- Who is the owner of this school?
- Are there similar schools run by this organization in the world/Africa? In numbers, which countries(if you can remember)
- When did it start, Why in Ethiopia?

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- Why the name as Ethio- Nejashi? What it did indicate?
 - How many branches do you have in Ethiopia? Why only these areas?
 - Who are students at your school/ how they are enrolled? Is it open for all or there are eligibility criteria?
 - How many students have been enrolled in all branches since establishment?
 - How about the curriculum? Ethiopian/Turkish or mixed/the subjects
 - Who are the stakeholders of ENS?
 - How is it important for Ethiopia and Turkey, and in bilateral relations?
 - What are Challenges and prospects?
 - How do you deal with challenges harness the opportunities?

5.5. TIKA/ Ethiopian office manager

- Objectives, missions, goals?
- Would you explain about TIKA's establishment; globally and in Ethiopia?
- When did you start to work in Ethiopia and, Why Ethiopia?
- With which institution/s do you have strategic partnership/working together?
- What Projects, activities have been done, planned or operating?
- In Which regions and which sector your organization is engaged?
- How do each/altogether worth?
- Who are Beneficiaries of your activities, and how?
- How do you evaluate Effectiveness of TIKA in Ethiopia?
- What are major Challenges /prospects of TIKA?
- What role does these activities play/ing in Ethiopia and Turkey relations?

5.6. TUSKON/Ethiopia office manager

- Objectives, missions, goals?
- Establishment; global, Africa and in Ethiopia? Offices
- When did you start to work in Ethiopia and, Why Ethiopia?
- With which institution/s do you have strategic partnership/working together?
- On which sector you are focused? Trade, investment, social..etc.
- Projects, activities done, planned or operating?

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- How do each/altogether worth?
 - Who are Beneficiaries of your activities, and how?
 - Effectiveness/how much you are successfully realizing your plan?
 - What are Challenges /prospects of your organization?
 - What role do these activities contribute to Ethiopia and Turkey relations?

5.7. Turkish Embassy: Office of the commercial counsellor

- Objectives, missions, goals?
- When did you start to work in Ethiopia and, Why Ethiopia?
- Is this extension of your embassy or you worked separately?
- With which institution/s do you have strategic partnership/working together?
- And who are your customers? How many/large?
- On which sector you are focused? Trade, investment, etc.
- Projects activities done, planned or operating?
- What mechanisms/methods do you use to perform your activities?
- Who are Beneficiaries of your activities, and how?
- Effectiveness/how much you are successfully realizing your plan?
- Challenges /prospects?
- What role do these activities contribute to Ethiopia and Turkey relations?

6. Agreements proposed to be signed between Ethiopia and Turkey.

- Memorandum of Understanding between the Government FDRE and the Government of Republic of Turkey on Cooperation in the Field of Energy.
- Protocol on Police Training Cooperation between the Government of Republic of Turkey and the Government FDRE.
- Protocol on the Programme between the Government of Republic of Turkey and the Government FDRE for Cooperation in the Fields of Culture, Education, Science, Mass Media, Youth and Sports.
- Trade and Economic Partnership Agreement between the Government of Republic of Turkey and the Government FDRE
- Cooperation Protocol between Turkish Radio Television Corporation and Ethiopian Broadcasting Corporation

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- Memorandum of Understanding between the Government of the Republic of Turkey and the Government of the Republic of Turkey on Cooperation in the Fields of Mining and Hydro Carbon