Comparative Analysis for the SDPRP, PASDEP and GTP of the FDR of Ethiopia

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Abstract

This economic analysis on the Ethiopian programs against poverty is focused on the comparative analysis of the Ethiopia’s national development plans and strategies or poverty reduction strategy papers (PRSPs). These three PRSP which are entitled the “Sustainable Development and Poverty Reduction Programme” (SDPRP) and spanning the three-year period (2002/03 – 2004/05), “A Plan for Accelerated and Sustained Development to End Poverty (PASDEP)” covered from 2005/06-2009/10, and the current “Growth and Transformation Plan (GTP)”, 2009/10-2014/15 are compared in terms of their strategic role in achieving the national vision of the country. To found a comparative policy outcome from these PRSPs, this paper categorized in to four parts. When the first part deals with the introduction, the second part is all about the review literature of the general national development plans of the nation. The third part also involves the documentary data analysis and related theoretical findings. At the end, the researcher has tried to conclude and to recommend necessary suggestions which can serve as input for the second transformation plans (GTP1) of the nation based on the documentary data at the fourth part of this research.

Keywords: Comparative, SDPRP, PRSP, Ethiopia

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1. Introduction

Even though the history of Ethiopia is dates back to about 100 BC; due to different factors, it is till underdeveloped. And different land lords, local leaders and governors had been introduced their own political, social and economical philosophy. But, none of them could create a developed Ethiopia by utilizing its huge manpower, arable land and natural resources effectively. Different studies indicated that the Ethiopian economy remains heavily dependent on agriculture, which accounts for about 50 percent of the GDP. As a result we; the societies are an “agrarian society”, in which the farming system is still unchanged. Due to this reason, the agricultural economy of the country is not sufficient not only to lead the industry, but also for “hand-to-mouth”.

Currently, after EPRDF comes in to power in 1983; the Government has been started to reform the state by introducing its own political-economical policies, programs and strategies to enhance the wellbeing of the society. As to the introduction part of Science, Technology and Innovation Policy of Ethiopia, Ethiopia has adopted a national economic policy that focuses mainly on implementing the Agricultural Development Led Industrialization (ADLI) strategy. ADLI aims to bring in an effective economic growth and to build technology capability that enables the development of micro, small, medium and large industries.

Poverty reduction strategies and policies have gained considerable popularity in recent policy discourse of the state. These policies and strategies are framed in the context of the Millennium Development Goals (MDGs) that set specific quantitative targets to be achieved within a specified time framework. The goals specify the targets to design national poverty reduction strategies and achieve them with a generous financial assistance from the international community and from the nation itself. So, The Ethiopian government has committed its resources and political will to the implementation of MDGs. This commitment has resulted in some significant improvements in access to services for chronically poor groups, and greater social protection for chronically food insecure people in rural areas.

According to The Ethiopian MDGs, the Government has designed, and implementing, strategies, policies and plans to guide and manage the overall development of the country accordingly (MoFED, GTP, V1). Specifically, this study compares the country’s three PRSPs: the Sustainable Development Poverty Reduction Program (SDPRP), the Plan for Accelerated and Sustained Development to End Poverty (PASDEP) and Growth and Transformation Plan (GTP). It then, the comparative policy analysis focuses on the formulation and implementation of the SDPRP and PASDEP which were completed in 2004/05 and 2009/10 respectively; and the current plan which is GTP (2010/11-2014/15) compared its reality in terms of the previous poverty reduction strategies.

This research is a comparative analysis on these poverty reduction programs, plans and strategies in relation to their formulation and applicability to alleviate the economic growth of Ethiopia. This means that, since these PRSPs (SDPRP, PASDEP and GTP) were formulated fundamentally to minimize the poverty level of the nation, it is necessary to make a comparative study to know how Ethiopia is developing during these PRSPs comparatively.

1.2. Statement of the Problem

Poverty is a multi-dimensional concept. It generally refers to inability of Households to provide sufficient subsistence and to lead a decent economic and social life (World Bank, 2004). The Ethiopian government defines poverty as multi-dimensional extending beyond the low level of income. The first dimension is material deprivation (lack of opportunity), which is measured by an appropriate concept of income or consumption. The second dimension is low achievement in education and health (low capabilities). The third and the fourth dimensions of poverty are vulnerability (and exposure to risk or low level of security) and voicelessness (and powerlessness), respectively (Tassew Woldehanna, 2004).
The FDRE has formulated policies and strategies to guide over all development with focus on rural and agricultural development. The fundamental development objectives of the FDRE are to build a free-market economic system in the country, which will enable:

a) The economy develop rapidly,

b) The country to extricate itself from dependence on food aid; and

c) Poor people to be the main beneficiaries from economic growth (MoFED, 2002).

The struggle against poverty of Ethiopia can be observed by its poverty reduction strategies, policies and programs which have been implementing at national level. As a result, the national long lasting vision of Ethiopia is:-

“To see Ethiopia become a country where democratic rule, good governance and social justice reigns, upon the involvement and free will of its peoples; and once extricating itself from poverty becomes a middle-income economy.”MoFED, 2008).

When the Government draft short run poverty reduction strategic papers to achieve the MDGs and to insure the national developmental vision, there are problems related to economic, political and social affairs. And there are national and global issues that can affect the formation and implementation the programs and poverty reduction strategies.

Although the Ethiopian Government has been adopting the Poverty Reduction Strategy Papers through time to time, there are gaps which related to strategies, programs and policies during the formulation, adoption and implementation process. Therefore, this study tried to assess and to compare each poverty reduction strategic papers with their respective policy gaps to understand how Ethiopia is alleviating poverty as a result of SDPRP, PASDEP and GTP.

1.3. Objectives of the Study

The general objective of this study is to make a comparative analyzes for the SDPRP, PASDEP and GTP of Ethiopia’s poverty reduction strategic papers.

Specifically, the study has the following objectives:

- To assess the strategic linkage of these poverty reduction strategy papers,
- To understand the role of international donors, Government and stockholders during the formulation and implementation of these documents,
- To compare and contrast the core pillars of SDPRP, PASDEP and GTP,
- To study the limitations and the positive aspects GTP in comparison with SDPRP & PASDEP,
- To find out the strategic result of these PRSPs in poverty redaction,
- To recommend possible solutions to the effective implementation of GTP by referring SDPRP, PASDEP.

1.4. Research Questions

In order to search a solution to the research problem during the formation and implementation of policies on SDPRP and PASDEP and the current Growth and Transformation Plan (GTP), this mini-research involves the following research questions;

- How these poverty reduction strategies related each other?
- Was SDPRP served as strategic direction for the effective implementation of PASDEP and is GTP is a continuity of PASDEP?
- How each PSRP’s is planned to achieve the Millennium Development Goals?
• How the pillars of these PRSPs are related and linked each other to eradicate poverty by enhancing economic growth?
• Are these PRSPs served as trajectories to show economic development of the country?

1.5. **Significance of the Study**

This mini-research is undertaking for the following reasons;
• It may create an equal awareness to policy makers and policy implementers on how SDPRP, PASDEP & GTP are help in achieving MDGs,
• It is believed that, this study will enable to identify the basic problems in formulating and implementing SDPRP, PASDEP & GTP,
• The findings of the paper may attract the attention of the concerned officials to see for more efficient and effective formulation of poverty reduction policies and strategies,
• This paper may encourage professionals to study about the problem in a wider scope and contribute relevant and constructive ideas about the economic growth of the nation,
• It is also significant for further investigation of the researcher.
• Lastly it is supposed that the next GTP2 of Ethiopia will be strong enough in every sector and the long run development strategic plan against poverty become continued as a result this paper serves as input to take proactive measurements.

1.6. **The scope of the Study**

This study focuses on the comparative policy of poverty Reduction strategy papers (PRSPs) i.e. SDPRP, PASDEP & GTP in achieving the MDGs. since these poverty reduction strategy papers are broad in nature, it is too difficult to measure its applicability country-wide. As a result, the researcher focused on policy analysis comparatively.

1.7. **Limitation of the Study**

When the researcher decides to undertake this study, he predicates the following limitations;
• Shortage of time to collect and to analysis documentary data,
• Difficulty of taking documentary data from higher officials
• Lack of enough money
• Lack of primary data

1.8. **Research Methodology**

The researcher has utilized a comparative method of analysis with an assumption that it could be helpful to compare the poverty reduction strategy papers using secondary data which are SDPRP, PADEP, and GTP Documents published by MoFED and Others Independent Review on these Documents. This professional analysis on the poverty reduction strategic papers of Ethiopia is based on the environmental observation of the researcher; because, the researcher is the permanent resident of the specified nation.
2. Documentary Data Analysis

This part mainly deals about the secondary data analysis of the study. Therefor documentary data that are included under the literature part of the research and data that are involved with in this part are utilized to make a comparative analysis of the poverty Reduction Strategy Papers (PRSPs).

2.1 Data Analysis on the Formulation Procedure of SDPRP, PASDEP and GTP

According MoFED documents, all SDPRP, PASDEP and GTP were formulated by the assumption ofactive participation of the people. However, due to the top-down nature of policy making process of the country, it was not practically applied in all poverty reduction strategy papers because of different factors. When we observed from all formulation process of SDPRP, PASSDEP and GTP, they were complemented by extensive, transparent and inclusive consultations conducted at Woreda; Regional and Federal levels with multi-stakeholders active participation - NGOs, private sector, communities and development partners.

The Annual Progress Reports also showed that “during the formulation process of SDPRP, discussions and meetings were held with stakeholders at the federal and regional levels and in 116 woredas.” But, the consultation exercise occurred in the final phases of PRSP preparation, only after the SDPRP had been drafted.

This indicated that the stakeholders, civil societies and NGOs were weakly participated and they hadn’t power for influencing to the already drafted SDPRP.

During the formulation process of PASDEP, the policy making process of the Government was top down rather than consultative. The only difference from the previous was these meetings with regional and federal level mainly on the issue of ADLI aimed to review the performance of the SDPRP and to identify priorities for PASDEP. But, even if there were a number of discussions at the federal level that chaired by the prime minister spearheaded by the Poverty Action Network, the discussion were mostly at the stage of implementation not at the stage of formulation.

According to research paper of Amdissa Teshome which intitled “Agriculture, Growth and Poverty Reduction in Ethiopia: Policy Processes around the New PRSP (PASDEP)”

“The PASDEP is fundamentally a desktop policy document, with considerable use of secondary data largely from government sources, namely:

• Welfare Monitoring Unit at the Ministry of Finance and Economic Development (MoFED).
• Household Income and Expenditure Survey of Central Statistical Agency (CSA).
• The findings of Participatory Poverty Assessment (PPA) (MoFED, 2005)

The MDG needs assessment (MoFED, 2005) Research findings from the EDRI/IFPRI, EEA/EEPRI, the Destitution Study (Devereux & Engel, 2003) and the findings of the Diagnostic Trade Integration Study (World Bank/Ministry of Trade and Industry), have also been utilized.”

In general, the discussions and consultations up on drafting process indicated that the PASDEP process might be significantly more consultative than SDPRP. However, the fraught 2005 elections fundamentally disrupted the consultation process by polarizing government-civil society relations and turning the regional consultations. Consultations were not beyond the region to the woreda under SDPRP.

During the process of GTP, there were technical changes than the PASDEP in Consultative meetings with private sector participants, higher education institutions, civil society organization (including professional, religious, women, and youth associations), and development partners. And then after, the consultations provided opportunities to comment on a well-informed draft of the GTP, rather than a forum to rethink the limitation and structural design of the poverty reduction strategy. There was also little opportunity to discuss about the key goals, priorities,
approaches, and financing options, but the government has indicated that the plan is subject to budget availability and it will discuss financing with the donor community.

The GTP, shortly after it had been first discussed with the Development Assistance Group on September 29, 2010, it officially circulated to donors in the spring of 2011, and submitted to the International Development Association (IDA) and the International Monetary Fund (IMF, 2004).

In general the chance of taking consultation and participation of the stockholders, civil servants, and the society in general, increases through each poverty reduction strategy papers. But, there is no data that indicate feedbacks from the societies, either to support or to oppose before taking in to action. This indicate that the nature of decision making of the country is top-down from the federal level towards the local governments.

2.2. Comparing Strategic Pillars among PRSPs (SDPRP, PASDEP and GTP)

The documentary data show that Poverty Reduction Strategy Papers (PRSPs) are a short-term poverty reduction strategy which involved one program which is SDPRP; and two plans which are PASDEP and GTP. And these programs and plans are originated from the long-term Millennium Declaration MDGs. The relationship among the strategic pillars of these poverty reduction strategy papers and between the long-term MDGs is summarized on the next table 2.

<table>
<thead>
<tr>
<th>Millennium Development Goals (MDGs)</th>
<th>PRSPs</th>
<th>Strategic pillars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal 1: Eradicate extreme poverty and hunger</td>
<td>SDPRP (2002/03-2004/05)</td>
<td>Agricultural Development Led Industrialization (ADLI)</td>
</tr>
<tr>
<td>Goal 2: Achieve universal primary education</td>
<td></td>
<td>Civil service and justice system reform</td>
</tr>
<tr>
<td>Goal 3: Promote gender equality and empower women</td>
<td></td>
<td>Governance, decentralization and empowerment</td>
</tr>
<tr>
<td>Goal 4: Reduce child mortality</td>
<td></td>
<td>Capacity building (including education)</td>
</tr>
<tr>
<td>Goal 5: Improve maternal health</td>
<td></td>
<td>Food Security (added as a pillar in 2003)</td>
</tr>
<tr>
<td>Goal 6: Combat HIV/AIDS, malaria and other diseases</td>
<td>PASDEP (2005/06-2009/10)</td>
<td>Building all-inclusive implementation capacity;</td>
</tr>
<tr>
<td>Goal 7: Ensure environmental sustainability</td>
<td></td>
<td>A massive push to accelerate growth;</td>
</tr>
<tr>
<td>Goal 8: Develop a Global Partnership for Development</td>
<td></td>
<td>Creating the balance between economic development and population growth;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unleashing the potentials of Ethiopia’s women;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strengthening the infrastructure backbone of the country;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strengthening human resource development;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Managing risk and volatility; and,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Creating employment opportunities.</td>
</tr>
</tbody>
</table>
As we can see from the above table, SDPRP, PASDEP and GTP have 5, 8 and 7 strategic pillars respectively. And not only the difference number of strategic pillars, they have a variation in case of issues and scopes they cover. For example, from the pillars of SDPRP, as a program, although poverty reduction is the primary objective of MDGs, the core issue which is food security was not included at the origin of the formulation. Not only this, the SDPRP, did not pay an adequate attention to non-agricultural sector, urban areas, markets, and demand side of production. Not only was this, under the SDPRP, the expected annual average GDP and industry growth rate were 7% and 7.8% respectively. And, to achieve that growth rate, all sectors should their contribution to this growth. But, the primary question that should rise is that why the other non agriculture sectors like health and employment opportunity were not included under the strategic pillars of the SDPRP.

In a general view, SDPRP was formulated based on the MDGs, but, it was limited in scope to involve all goals of the Millennium Declaration. And depending on the strategic pillars that it has, the SDPRP served merely as a policy direction to PASDEP.

Like SDPRP, the strategic pillars of PASDEP are derived from the MDGs by giving greater focus on growth and private sector development in agriculture and rural development, expanding education, health and HIV/AIDS, capacity building, decentralization and food security programmers’. But, the third pillar which is Governance, decentralization and empowerment was not continued as a strategic pillar under PASDEP. In addition to that, PASDEP did not address rural-urban migration substantially, and only in the light of problems associated with migration under it pillars.

The third strategic pillar which is creating the balance between economic development and population growth is an ideal type which could not be realized practically. Like SDPRP, Even if the pillars are all in all MDGs based, role of global partnership for development did not include as a strategic pillar.

Unlike PASDEP, the strategic pillars are GTP more specific. But, there is a controversial idea where agriculture is taken as a major source of economic growth under the second pillar and the third pillar tried to reverse the base of agriculture to industry in to industry leads agriculture. Then, this third pillar may oppose to the second pillar.

In general, all strategic pillars of PRSPs are developed based on the MDGs. But, they have their own interpretations in the national development strategy of the country.

### 2.3 Comparative Findings of SDPRP, PASDEP and GTP on National Development

The SDPRP, PASDEP and GTP are directed towards achieving the Millennium Development Goals (MDGs), Ethiopia’s long term vision and sustaining the rapid, broad based and equitable economic growth anchored on the experiences that have been drawn from implementing pro-poor and pro-growth development policies and strategies undertaken since 2000. These national development plans has played their own significant role on poverty reduction. In each
PRSPs, Economic growth is also expected to be broad based with agriculture, industry and services.

To insure rapid economic growth, High Case Scenario which is the possible growth shift and Base Case Scenario which mean the base of constructed on the required resources of the previous time were included. The base and targeted economic growth under the PRSPs are generalized on the following table 2.

<table>
<thead>
<tr>
<th>classification</th>
<th>SDPRP</th>
<th>PASDEP</th>
<th>GTP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base Case Scenario</td>
<td>High Case Scenario</td>
<td>Base Case Scenario</td>
</tr>
<tr>
<td>Agriculture and allied activities</td>
<td>-</td>
<td>7.5%</td>
<td>7.0%</td>
</tr>
<tr>
<td>industry</td>
<td>-</td>
<td>7.8%</td>
<td>11.0%</td>
</tr>
<tr>
<td>service</td>
<td>-</td>
<td>8.0%</td>
<td>7.0%</td>
</tr>
<tr>
<td>GDP</td>
<td>-</td>
<td>7.0%</td>
<td>7.0%</td>
</tr>
</tbody>
</table>
Source: Author’s compilation based on MoFED’s Publications

As it can see from the above table, all PRSPs have not a linkage on the Base Case Scenario and High Case Scenario of the economic growth. In addition to this, the expected contribution of agriculture, service and industries are not based on the previous national plan. These indicate that, the economic development level of the state under the base of SDPRP was unknown and the figurative contribution of all sectors to the targeted annual economic growth was an imaginary.

According to National Assessment Report, 2012;

“...During SDPRP, the country began to register better economic performance, with average GDP growth of 6.7% per year (and an average annual per capita income growth rate of 3.65%) [...] the 2nd and 3rd years of SDPRP period actually registered double digit economic growth, with annual rates of 11.9% and 10.6%, respectively. Since then, the country has maintained high growth rates (MoFED 2006). In 2012, the Ethiopian economy is estimated to be the third fastest growing economy in the world, and the first fastest growing economy in Africa (CRGE, 2011). The country has registered such encouraging economic performances through formulation of policies and implementation of programs and putting in place appropriate institutional arrangements.”

As a nation development report, there is a little difference on the actual annual growth and targeted growth rate. As it indicated above, the expected annual GDP was not reached at a double digit. But, there is a figurative variation in the national report.

In addition to that, according to Annual Progress Report of SDPRP,

“The Ethiopian Economy had registered encouraging but mixed result with negative real GDP growth rate 3.3% in 2002/03 as a result of drought, followed by strong positive performance of 11.9% and 10.6% during 2002/03 and 2004/05 respectively.”

But, SDPRP were not affected only by drought. Because, the border conflict with Eritrea was also interfered the struggle against poverty of the Government and the society with external threats. The war was one primary factor not to achieve the program in a successful manner. The human and non human resources were allocated to succeed the struggle against Eritrea. This was also one of the act of public diversion because the government, the people and the media were busy to think, report and to discuses about since it was the hot timely issue even if it is not solve yet.

3.4. Theoretical Findings on SDPRP Vs. PASDEP

According to MoFED documents, both SDPRP and PASDEP were a short term poverty reduction strategy programs that formulated to achieve the MDGs.

In terms of sectoral coverage, the PASDEP is more comprehensive than the SDPRP further encompassing sectors that were not adequately articulated in the SDPRP such as tourism, small and medium-enterprise development and job creation, urban development and construction, etc. (MoFED, APR, 2005/6).

Although PASDEP was covered additional sectors which were not invoved under SDPRP, the role of industry and service were not emphasized like ADLI. In these national plans none-agriculture sectors were less considered.

Theoretically, the 2nd PRSP of Ethiopia forward important strategic directions perused under SDPRP, related to infrastructure, human development, rural development, food security and capacity building. And the 2nd PRSP embodies some bold new directions such as greater commercialization of agriculture, private sector enhancement, focusing on industry urban development and scaling up of efforts to achieve the MDGs to reduce poverty by half. But, the government has been progressively intervening in all sectors.
According to the SDPRP, the Government’s fundamental development objectives were to build a free-market economic system in the country which will enable: a) the economy to develop rapidly, b) the country to extricate itself from dependence on food aid, and c) poor people to be the main beneficiaries from economic growth. But, due to the significance rising of inflation the concept of free market economic system could not insured under both SDPRP and PASDEP.

As the main text SDPRP document of MoFED, the government needs to link several things to the MDGs in a meaningful way. But, although the SDPRP provides detailed policy actions with regard to gender equality, it was not substantiated by specific targets in the policy matrix. Because, such specificity is important especially to monitor progress like that of gender, environmental issues are also discussed in the main document of the SDPRP, although specific targets and time-bound actions are not outlined in the document.

The development and strategies pursued during the three years SDPRP, together with the vision expressed in and achievements realized by the SDPPRP, were the foundation for the design of the PASDEP (MoFED, 2010).

But, the challenge and good practices during the implementation of SDPRP were not included under the formulation of PASDEP.

3.5. Theoretical Findings on PASDEP vs. GTP

Unlike PASDEP from SDPRP, GTP takes more experiences from PASDEP. Because, the GTP involved the major challenges encountered and good practices during PASDEP which were not included under PASDEP. The targeted percentage growth rate 14.9% is also higher than that in PASDEP. ADLI continues as a foundation of development and the GTP also aims to create favorable conditions for the industry to play a key role in the economy. The policy provides for investment in expansion of infrastructure development (roads, electricity production, railway lines, and telephone infrastructure), as well as in rural and human capital development.

The GTP takes on some of the pillar strategies followed by the PASDEP and also making new additions and giving additional emphasis and critical focus for sectors which didn’t perform as planned during the PASDEP period, for example, the industrial sector, though there has been an impressive overall economic growth for the past consecutive seven years at a rate of 11% per annum.

According to the draft GTP document of MoFED, the vision of the state in the economic sector is:

“to build an economy which has a modern and productive agricultural sector with enhanced technology and an industrial sector that plays a leading role in the economy; to sustain economic development and secure social justice; and, increase per capita income of citizens so that it reaches at the level of those in middle-income countries.”

This indicated that, GTP is more comprehensive than PASDEP and it has proposed to eradicate poverty and to improve people’s livelihood, it is imperative to sustain higher economic growth during the coming five years and beyond. Since it is the latest national development plan, GTP is implementing so as to insure the long-term vision of the nation and the MDGs by taking the positive experiences and by avoiding the negative challenges of PASDEP.

Like PASDEP, GTP maintains agriculture as a major source of economic growth, but it wants to create favorable conditions for the industry to play a key role in the economy. This means, the government expects to emphasize on industry than agriculture. Not only this, GTP is more considered on free market economic system than PASDEP. But, this may an ambitious idea. Because, according to the current political philosophy of the government Ethiopia is a developmental state. And, a development state is characterized by having strong state intervention, as well as extensive regulation and planning. To assure the focus of industry than agriculture, the agriculture sector of the nation should well developed to produce raw material
which can serve as input the small, medium and large scale industries. In states that were late to industrialize, the state itself led the industrialization drive, that is, it took on developmental functions. Therefore, there is a policy gap between the policy direction of the GTP and the political ideology of the government.

This theoretical gap can be bridged if the policy direction of the nation has the domestic nature. Because the following are the strong reasons for this possible difference.

- First of all the ruling party which is EPRDF has been showed a radical change and shift in political economy philosophy known as developmentalism which copied from far east countries like Japan and Taiwan. By principle this ideology allows central government to have a close interruption with the reason of filling market failure. Others are also arguing negatively that this philosophy lets civil servants or any other bureaucrats for rent-seeking and corruption behaviors. Because when the government could not handout from the market there will be inefficiency in national resources utilization means that privatization is more efficient than public organization.

- Second the central Government uses this poverty reduction document more as political profit and coverage through its monopoly media coverage. The two digit economic change of the nation which has been recorded throughout each policy direction implementations is also one of the controversial conclusion in terms of the actual development in economy, infrastructure and other developmental indicators.

Part Four

4. Conclusion and Recommendation

4.1. Conclusion

According all related documents, both the MDGs and PRSPs (SDPRP, PASDEP and GTP) exercises are coordinated by the Ministry of Finance and Economic development (MoFED) with strong support from the Welfare Monitoring Technical Committee (WMTC) members and representatives from the UN Country Team (UNCT), the World Bank and bilateral donors. But, Members of civil society organizations and the private sector were not played an essential role in providing substantial comments to enrich the documents equally. It was due to political nature of the state in which policy making system of Ethiopia has been dominated by the government officials.

Unless the government allows active participation of the societies during the formulation and implementation of policies and strategies, it is impossible to recognize the challenges facing Ethiopia (such as very low level of productivity, highly inadequate infrastructure, structural bottlenecks, vulnerability to shocks, and spread of the pandemic disease HIV/AIDS). And these are frightening and if unchecked and ratified linking among poverty reduction strategies and MDGs for sustainable development remains a fantasy.

Even if the country has been registering a rapid economic growth with a double digit, it is not equally believable to the society. This shows that the government follows top-down political system without the involvement of opposites parties during decision making.

During the formulation of SDPRP, PASDEP and GTP, all sectors could not participate like the MoFED. As a result, the SDPRP and PASDEP were symbolic policies across the other public services. Their implementations were also affected by different factors like the border conflict with Eritrea, national election, inadequate rain or drought and the introductions of new systems like BPR. To overcome these and other factors, the SDPRP and PASDEP documents could not analysis the national opportunities, strengths and the environmental weakness and threats during their timeframe. In addition to this, SDPRP could not become an overall economic trajectory in non agricultural sectors in its strategic pillars.
In this case, even if it is currently implementing national plan, the government have taken a significant observation from the previous PRSPs for GTP. Besides to this, the strategic pillars of GTP are more specific and are derived from the MDGs.

As per the annual report from local to regional, regional to federal of the national hierarchy; there were positive relation in terms of the nature, purpose and characteristics of the documents. The same is true on the national report to the international and continental donors. This implies that the central Government of the country needs to have additional financial assistance in its time during the national struggle against poverty. More or less even if the reports have had to some extent exaggerated, all strategies have been their own contribution to motivate the local developmental and change agents. The same is true that the ruling political party of the state uses the opportunity in increasing the number of followers and has been got public trust as to enemy of poverty. That’s why the higher bureaucrats said that “poverty is the enemy of Ethiopia”.

In general, since Ethiopia is one of the HIPC, all poverty reduction strategy papers were donor-dependent from the IMF, World Bank and other developed countries. As a result, the internal domestic capacity faced financial shortages during all PRSPs.

4.2. Recommendation

The MDG-based poverty reduction strategies papers of Ethiopia should attach the scaling up of public investments, capacity building, domestic resource mobilization, and official development assistance. They should also provide a framework for strengthening good public management through active political commitment, promoting human rights, engaging civil society and political parties, and promoting the private sector. To sum up, from the comparative findings of SDPRP, APSDEP and GTP, the researcher has found the following specific recommendations in order to achieve the objectives of GTP in particular and in order to achieve the long term vision of the nation efficiently and effectively in general.

- The policy making process of the government should not a top-down. Rather, it should allow the engagement of the society.
- The government should formulate and implement the MDG-based poverty reduction strategies, GTP in a transparent and inclusive process, working closely with civil society organizations, the domestic private sector, and international partners.
- The government should able to avoid poverty through the effective utilization of domestic resource to minimize its foreign debt.
- Scaling up above the current poverty reduction plan activities levels and increasing financing levels (aid to secure implementation and domestic finance to wean from aid dependency) are essential for meeting the GTP and the MDGs.
- To score expected economic growth, every sector should linked and committed to achieving their specific goals and that this would require additional efforts beyond current efforts under GTP.
- The government should able to communicate with stockholders, civil society organizations and political parties to identify the problems and policy, strategy and institutional gaps of GTP in relation to the previous poverty reduction strategy programs.
- The government should use the budget which available from international donors effectively for a better implementation of GTP.
- Modern system and techniques of M&E should introduce in to all sectors without interfering the current system. And each sector should perform and preparing quarterly and annual reports to the government.
• The coming anti poverty programs like GTP-2 should well developed in order to escape from the limitations of the past program’s implementation. And it must be in participative manner and domestic in nature to be effective and efficient.

References