

Economic and Social Costs of 2019-2020 Violent Political Unrest in Ethiopia

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Abstract

In the last few decades, despite the prevalence of socio-political unrest, Ethiopia generally remained a nation of peace and security for Civilians. However, in recent years, particularly between 2019 and 2020, Ethiopia experienced repeated violent riots. In Oromia alone, two rounds of violent riots occurred in 8 months. Except for duration and scale, the unrest was spread to all regional states of the country. In light of this background, a study was conducted to identify the drivers, motives, precipitating factors, and direct and indirect costs of the violent riots. Quantitative data was collected on direct costs in 65 woreda towns that encountered substantive damage. This was done using 519 randomly selected victim and non-victim respondents from 43 sample woreda-towns. As the results indicate, the damages were largely in the Oromia region, Southern Nations Nationalities and Peoples Region (SNNPR), and in Amhara Region. Damages of property through arson were the largest (53.76%), followed by looting (23.47%) and breaking / physical damage (22.77%). The victims were predominantly ethnic minorities in the respective localities. The largest victims were ethnic Amharas (35.4%), ethnic Oromos (21.4%), ethnic Gurages (14.1%), and ethnic Wolaytas (6.6%) constituting 77.5% of the sample victims, largely belonging to the Orthodox Christian (65.32%). The value of direct costs was in the range of 8.8 billion Birr (in 2020 prices). Damages per sector indicate that services constituted 85.5%, while agricultural damages were 8.9%, and industrial 6.6%. Among indirect costs, 88% was the value of foregone material inputs, 7% was foregone wages and salaries, and 5% was foregone government tax income. The magnitude of indirect costs expands with the time taken to rehabilitate the households and businesses. The longer it takes to rehabilitate the victims, the greater will be the magnitude of the indirect costs. Ethnic hatred among young people based on remote historical narratives, payment incentives made to disturb, and envy of the economic success of others were the three most prominent drivers in the views of respondents. The social media, riot organizers, and financiers with weak governance occasioned the violent riots. Restricting ethnic politics, strengthening good governance, strengthening the rule of law, and rehabilitating the victims, as fast as possible, are the suggested remedial measures.

Keywords: Political and social unrest, ethnic politics, direct and indirect economic costs

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Introduction

The recent socio-political landscape of Ethiopia has assumed characteristics of notable and repeated violent riots and unrest. Political violence has become the new normal phenomenon in Ethiopia. The violent actions occurred across different regions of the country and the nature of the violence varies from region to region. Among the violent occasions, the massacre and organized protests called in October 2019, with a pretext of allegedly saving Jawar Mohamed⁴ from Federal Government security forces, resulted in the death of about a hundred individuals and displacement of thousands across the Oromia region. Another round of massacre took place after eight months with the assassination of Hachalu, a renowned Oromo musician. Following his assassination in June 2020, more intense violence erupted in Oromia Regional State with considerable loss of human life and destruction of private and public property estimated in billions. The violence occurred in Meki, Ziway, Bulbula, ArsiNegele, Shashemene, Kofele, Dodola, Adaba, Bale Robe, Agarfa, Dera, Adama, Chiro, Aweday, Harar, Diredawa, Jimma, and Addis Ababa, to mention some.

A large number of individuals were injured or lost their lives; others lost their productive assets, retail businesses in shops and premises, schools, hotels, public training centers, food processing factories, and floriculture greenhouses. While looting of a large number of residences and businesses happened, burning down and destruction followed in still many other service centers. This, in turn, resulted in loss of employment, and income sources for many, suddenly throwing victims and their families into hunger, food insecurity, frustration, and hopelessness. Farms in the vicinities of unrest either abandoned their farm operation or lost hope and confidence to make additional investments as they have limited confidence in their safety. High uncertainties and fear prevailed in the aftermath to the detriment of the hope to recover and continue business. While violence in Oromia erupted in waves, although with different motivations and triggers, violent actions showed up across different regions of the country with uneven distribution. The unprecedented violence across regions loudly alarmed citizens of the country who generally respect peaceful coexistence.

⁴ An Oromo political activist

The problem of the study was to explore why the turmoil recurs, what drives the violence, and why the intensity deepens as time passes, with a curiosity to know the extent of damage that occurred in its aftermath. It aimed to gauge the extent of economic damage that resulted from the violent riots in terms of direct and indirect costs. The objective of the study was to investigate the perceived causes and the socio-economic consequences of the violent unrest in 2019-2020. The search for drivers was to devise preventive actions while estimating damage costs to devise restorative actions. Estimating its direct and indirect costs aimed at forming the basis for providing alternative policy actions to stimulate economic recovery.

The Literature on Drivers and Precipitators of Political Violence

Violent civil unrest is a form of social unrest that is an activity of dissent by part of the population to challenge the established authorities with collective aggression, characterized by the spread of civil disorder and mob rule on short time scales to regions with accumulated economic, social, or political resentments (Braha, 2012; Bowman et al, 2014). The resentments explode into political violence that targets the authorities or some social groups. Political violence is a mass action partly by those who perceive that they are unjustly treated and decide to redress the injustice outside the legal framework of the political jurisdiction. Political violence, as an action, presupposes the presence of a perception of injustice and the prevalence of an urge to redress the injustice outside the legal framework. Injustices could be perceived as a racial, ethnic, religious, linguistic, or socio-economic class. Thus, political violence divides and polarizes people around affiliations of race, ethnicity, religion, language, class, etc. As Apter (1997), remarks political violence proceeds by turning “boundaries in the mind into terrains and jurisdictions on the ground.”

Morgan (2004) classifies theories that attempt to explain the drivers that generate motivations of political violence in three dichotomies: Marxian and Non-Marxian, Contingency and Inherency, and Micro and Macro. For Marxian theories, political violence is an inevitable revolutionary action as an outcome of inherent contradictions in class societies. Revolutions are normal mechanisms to resolve contradictions manifested in very high levels of inequality that generate poverty ignorance, deprivation, hunger, disease, etc.

Non-Marxian theories include functionalism, mass theory, rational choice, collective behavior, and constructivists' theories. Non-Marxian theories argue that although conflict is endemic to society it is not inevitable.

“Functionalism theory” claims that social change does not necessarily come through revolution rather society as an organism, when faced with shock, becomes disoriented and entertains collective violence. “Theory of mass society” explains political violence as the tendency to be part of radical and extremist movements by people alienated from social and political participation. In “Rational choice theory” prevailing incentives are conditions for participation in collective violence when the benefits of participating in political violence outweigh the costs. Political violence, as it is partly a means to redress perceived injustice, is partly an engagement to gain from conflict, as it arises from economic incentives to fight where benefits are perceived to outweigh the costs. Conflicts confer benefits to young uneducated and unemployed people by creating temporary employment or opportunities to loot or undertake gainful illicit trade. “Theories of collective behavior” explain political violence with a generalized belief in the existence of extraordinary forces in the form of threats, conspiracies, crises, etc. that are at work in the wider environment. The “Constructivist theory” poses norms and ideas as determinants of violent political behavior. In this theory, in addition to perceptions that arise from external stimuli that are dependent on personal experience of racial, ethnic, religious, linguistic, and class injustices, explained by theories of Marxists and non-Marxists, some rather imagined or socially constructed narratives on perpetrated injustice could serve as sources of political violence.

The other perspective of classifying drivers of political violence in Morgan (2004) is “Contingency and Inherency theories”. Under “Contingency theory”, the occurrence of political violence is an abnormality, an aberration, or unusual where, its occurrence is said to depend on conditions that occur accidentally, or on the presence of unusual conditions that involve a great deal of chance. On the other hand, “Inherency theory” explains political violence as that always happens or the potentiality for it to happen always exists and the actuality can only be obstructed by chance occurrence with the ability to hinder the inevitable.

The theories may differ in their level of analysis to explain the drivers of political violence. The micro approach attempts to explain the underlying causes of conflict like human beings and economic incentives to fight. Individual and household characteristics that motivate participation

in political violence are micro-level drivers. Some explanations fall in macro-level analysis, identifying political, economic, and social processes as aggregate drivers of political violence. The macro approach focuses on societies or state's structure and institutions.

Bowman et al(2018) put forward an intuitive theory that categorizes the drivers as structural, proximity, and trigger causes. The structural factors are factors such as relative deprivation, and demographic pressure including youth bulge; proximity causes are factors such as austerity policies, racial/ethnic discrimination, and oppression of civil rights; trigger causes are factors such as instances of police harassment and brutality, political scandals and seemingly isolated incidences. All these hatch discontent or grievance. Aguilar and Ferraz (2014) argue that corruption perceptions and the quality of public education and health are major determinants of the occurrence of grievances or dissatisfactions. The grievance creates retribution motives to punish the government, or inspirations to settle accounts engendered by the drivers, to signal or manipulate preferences, or as a lobbying strategy.

In explaining the root causes of violent conflict in developing countries Stuart (2002) identifies structural drivers of conflict (wars) manifested in cultural dimensions related to ethnicity and religion where "invariably underlying economic causes" drive it. A motive to maintain cultural autonomy and identity is social construction in which "political leaders may deliberately 'rework historical memories' to engender or strengthen this identity in the competition for power and resources". Economic factors that predispose to conflicts are group differences and horizontal inequities that create resentment in groups and private individuals. The author identifies the major root causes that predispose social groups to conflict are extreme poverty, economic stagnation, poor governance, high unemployment, environmental degradation, and individual incentives to fight.

All the theories conjecture drivers (structural or proximity or trigger) as unemployment, inflation, underdevelopment, lack of civil freedom, lowly livelihood condition, corruption perception, public service quality, lack of robust judiciary, food insecurity, low trust in government, social differences, historical narratives and rework of historical memories, narratives based on constructed historicity, poor social media management, economic incentive to fight. These drivers underlie the collective behavior expressed in dissatisfaction, grievance,

greed, panic, anxiety, rivalry, craze, hostile outburst, norm-oriented movement, and value-oriented movement among affected social groups creating a proclivity to social discontent.

Empirical studies suggest income inequality is a source of discontent. Income inequality fuels social discontent and increases socio-political instability (Alesina and Perotti, 1995). Deininger (2003) states that distance from infrastructure (a proxy for the scarcity of economic opportunities and government investment), asset inequality (social tension), presence of cash crops, and lower levels of human capital (ability to take advantage of opportunities in the regular economy) all increase the propensity for civil strife. Furthermore, civil strife, in marked contrast to violence and theft, reduces investment and non-agricultural enterprise startups. Food insecurity and food-price-related grievances as catalysts for conflict are mentioned as underlying factors behind the ‘food riots’ that took place in about 40 countries around the globe in 2007-2008. The Arab Spring protests erupted at the end of 2010 and the start of 2011, in Tunisia and then in Algeria, Bahrain, Yemen, Jordan, and Egypt, and the Arab Spring (Helland et al 2014). Whenever people have come to a position to expect a certain level of material satisfaction but if they unexpectedly find themselves in a much lower satisfaction level, with a prospect of falling further, they develop dissatisfaction or grievance and become angry (Zartman et al 1971). This state of affairs does not automatically lead to violent actions. It simply lays the predisposition to take part in violent actions. Vásquez (2017) argues that good macroeconomic performance and improvements in the social aspect do not guarantee peace as the experience of Peru attests. Conflicts originated during the period 2000-2015 mainly due to negative externalities of mining activities, accompanied by little trust in Government intervention, which formed the basis for dissatisfaction and grievances by certain sections of the population.

Discussions on causes of civil war emphasize, as in Collier et al (2003), the failure of economic development in contrast to longstanding ethnic and religious hatreds, lack of democracy to peacefully resolve disputes, or economic inequalities as to a deep-rooted legacy of colonialism. This argument relegates ethnic diversity to an insignificant position as a cause of conflict, rather “limited ethnic differentiation can, however, be a problem”. The argument goes that if the largest ethnic group forms an absolute majority, “the risk of rebellion is increased by approximately 50 percent” as attested by Ethiopian and Sri Lankan cases where ethnic dominance and civil conflicts coexist.

As Goode et al (2015) describe the link ‘online social media activity can often be a precursor to disruptive events such as protests, strikes, and ‘occupy’ movements’. Communication mechanisms that align individual interests with broader causes through the creation of perception of expected benefits to increase societal pressure, affect the size of protest participation. Expressions of collective behavior in response to the prevalent drivers i.e., grievances, dissatisfactions, greediness, etc. create motives to get involved in violent actions. The motives in themselves do not transform into violent actions unless individuals communicate, organize, and mobilize themselves. The occurrence of such grievances and dissatisfactions or anxieties has heterogeneous effects in cities with a high level of social media usage, where there would be a substantial likelihood of a protest, whereas it can have barely any effects in cities with low levels of social media usage. Dissatisfaction and grievances require galvanizing supporters and activists before turning to violent actions. Social media and organizers who are aware of the political opportunities provide incentives for people to undertake collective action by affecting their expectations for success or failure. They serve as precipitating (actualizing) factors that convert motivations to actions of political violence. The drivers do not directly result in violence until the motives are established and the precipitating factors are engendered.

While various studies attribute social unrest to a variety of socioeconomic political and environmental causes, an empirical study by Braha (2012) claims that “widespread unrest arises from internal processes of positive feedback and cascading effects in the form of contagion and social diffusion over spatially interdependent regions connected through social and mass communication networks”. The study uncovers three distinct determinants of the speed by which unrest propagates. These are the time rate of transmission of unrest from affected regions to susceptible neighboring regions, the rate by which regions become susceptible to unrest activity due to social, economic, and political stress, and, the rate by which social unrest is released spontaneously in susceptible regions. This suggests that the presence of social, economic, and political stress alone does not actualize unrest. Mass media increases participation in conflict through the information effect where individuals update themselves, and the coordination effect where individuals engage in violence when mass media induces other individuals to participate (Anguilar and Ferraz (2014) citing Drott 2010).

High rates of unemployment, inequality, low levels of education, and development prepare the ground for the recruitment of insurgents and fuel the motives to fight (Marks, 2016). The drivers prepare insurgents but actual insurgencies require the prevalence of certain other communicative and organizing conditions. Apart from the role of mass media institutional strength of government and the state of good governance have substantial effects on escalating or de-escalating violence. In connection to institutional strengths and weaknesses that occasion conflicts, state-level poverty can lower resilience to conflict. On an individual level, poverty compounds the vulnerability to insurgency by lowering the opportunity cost of mobilizing for violence. When combined with anocracies, the grievances lead to violence, or when combined with good governance violence is prevented or mitigated, implying that drivers alone do not lead to violence. As the literature claims various factors that create dissatisfaction, grievances, greed and elite rivalry precede actual political violence. However, these factors alone do not lead to violence. Violence occurs when these factors are conditioned by weak institutional and organizational settings. Weak institutional and organizational settings deny the facility that enables to management of human behavior or institutional and organizational failures create a conducive environment that actualizes violence.

The Literature on Economic Costs

Skaperdas (2009) categorizes direct costs of violence as costs of destroyed public infrastructure destroyed factories and machinery, destroyed housing, autos, and other personal property, budgetary appropriations for cost of conflict and cost of lost equipment, deaths, physical and mental injuries, future costs of disability, future costs of physical and mental health care. While property losses are relatively easily valued loss of life is a direct cost that is difficult to value. Although it is known that violence “causes enormous human suffering”, quantifying this phenomenon as direct cost involves several ways that result in different results. The difficulty is compounded by the variety of human sufferings in the form of pain, costs of medical treatment, loss of education and productivity, trauma, and fear (Hoeffler A. 2017).

Indirect costs of organized violence include population displacement, reduced production due to violence or its threat, reduced trade due to violence or its threat, lower current and future physical investment, reduction in educational opportunities, brain drain, reduced tourism from

abroad, other macroeconomic effects such as inflation, further unemployment, reduced economic growth and overall welfare costs. Thus, estimating indirect costs involves considerations of foregone opportunities under different scenarios (Skaperdas S. 2009) for which creating scenarios of output with the absence of conflict, based on previous empirical estimates of similar scenarios, and with conflict to make comparisons between the “conflict” and “non-conflict” scenarios. The approach is not without shortcomings, as it does not directly evince general equilibrium outcomes. However, its simplicity of computing and its ability to approximate the whereabouts of the estimates of lost opportunities is attractive.

Bodea and Elbadawi (2008) emphasize that the “overall effects of organized political violence are likely to be much higher than its direct capital destruction impact”, particularly by retarding growth. Violent unrest is a cause for significant disruption to productive business activities including a significant drop in tourism. Consequently, output declines through double channels: fall in the productivity of labor and capital and total break of production as production facilities are destroyed, labor supply and employment decline with displacement of people from the supply side. The other channel is the decline in domestic income and subsequent decline in consumption, from the demand side. Violence disrupts not only the generation and flow of income but also the flow of goods through domestic as well as export trade. With the disruption, market confidence declines thereby retarding trade. Declining demand feeds back to affect retarded output. Mueller and Tobias (2016) identify the channel through which conflict can cause economic damage by influencing investors’ expectations about political risks and the potential for a future resurgence in violence. This drop in investment and export on the one hand and a decline in output and productivity on the other hand, are expected from conflict-ridden areas as security concerns grow along with difficulty in running normal business operations and trade. Moreover, the destruction of human and infrastructural capital, on the one hand, displacement of skilled labor, and loss of confidence in institutions, on the other hand, created uncertainty on the part of investors.

Economic costs of violence incorporate, direct costs in the form of destruction of property, displacement of people, and loss of life on the one hand Direct costs of violence occur as a result of looting and arson. Looting takes place in retail outlets for general-purpose goods, luxury,

high-value special products, offices and service buildings, warehouses, restaurants, hotels and residences houses, schools, churches or mosques, etc. The same workstations could be targets of arson, which is even more destructive than looting. Indirect economic costs are composed of costs of retarding economic growth, loss of social well-being, output loss, employment loss, loss of trade opportunity, disruption of health and, education services and the formation of human capital, and fiscal disruptions. Loss of output in affected localities in a given period may be valued from foregone production in victim businesses and other businesses across the value chains. Losses of employment and the respective income loss may also be valued monthly based on the previous and recent wages and salaries. The displacement of people in the region affected by violence will have significant fiscal and social costs. These economic costs could be translated into loss of growth.

Conceptual Framework

The conceptual framework links drivers, motives, and precipitating factors of violent civil unrest with the consequences. It begins with the recognition of structural, proximity, and trigger factors that generate dissatisfaction, grievance, rivalry, and greed motives that lay the ground for unrest. The presence of precipitating factors such as low-cost communication methods, and the availability of organizers and mobilizers of movements actualize civil unrest. The absence of the will or lack of knowledge to apply democratic methods of resolving potential conflicts and the institutional weakness of the government to de-escalate the precipitating factors lead to violent unrest. Violent unrest has direct and indirect costs that negatively affect growth and development. Estimating the direct and indirect costs involves substantial effort to arrive at approximate figures. The pictorial representation of the conceptual model linking the drivers, precipitators, and economic effects is sketched in the figure below.

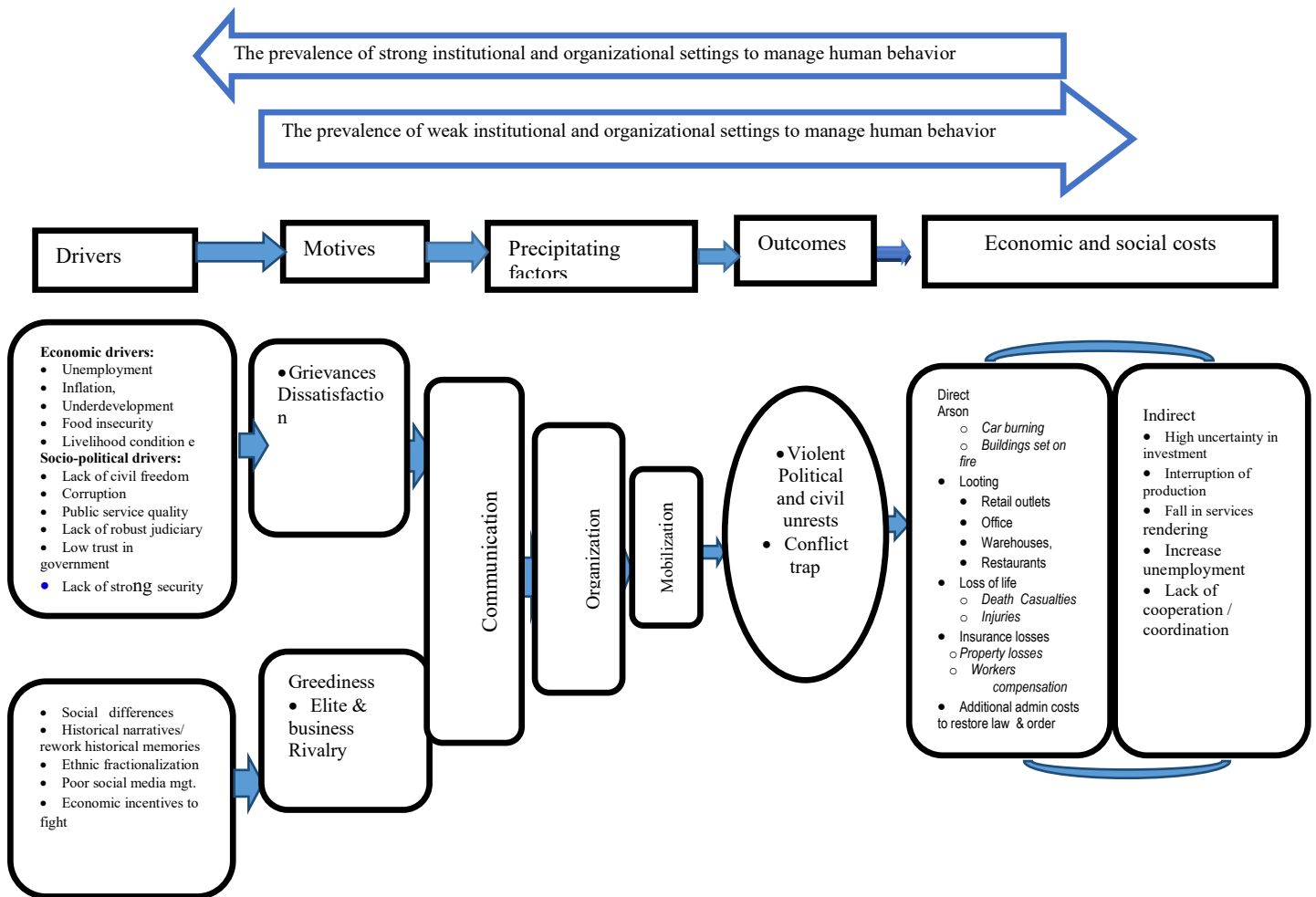


Figure 1: Conceptual framework linking drivers, motives, and precipitating factors of violent civil unrest

Research Design and Methods

An in-depth literature review on the causes and consequences of violent unrests, and contextualizing for national political and economic environment guided the study. The study designed secondary and primary data collection methods, using qualitative (KII, FGD, and physical observations) and quantitative surveys of victim and non-victim households and business firms. As the violence was in and around towns a total of 65 woreda towns were identified as sites of violence.

The study planned to collect qualitative data in a manner that enables to identification of the drivers, motives, and precipitating factors along with the type of damage that followed the violence. For the quantitative study, the plan was to collect data on direct costs from a complete list of victims and assets lost in arson, looting, and physical damage in the 65 towns mainly from associations of victims, administrative offices, and police stations to aggregate the direct costs of violence per town and across towns. The indirect costs of violence were wages/salaries foregone, the value of foregone inputs for the respective activity and sector, and the taxes that the government lost with the loss of businesses and property damages in each town.

Indirect cost estimation followed the sampling of towns and victim units (households and businesses) in towns using a two-stage stratified sampling scheme. Forty towns outside Addis Ababa and three woredas⁵ in Addis Ababa were selected as sample towns among the 65 in the first stratum. In the second level stratum were victims who lost residence houses, office buildings, shops, restaurants, hotels, schools, grain mills, factories, warehouses, vehicles, cash vaults, training facilities, agricultural fields, and products. Four hundred seventy-six samples were randomly selected from the complete list of victims in 43 towns/ woredas roughly in proportion to the population of victims to gather their perceptions on the causes of the violence and to estimate indirect costs associated with direct damages sustained by each victim. The views of 43 non-victims (one per woreda basis) were gathered making the total respondents 519.

Indirect cost estimated for each activity/ sector in the respective town for the sample units was converted to indirect costs of the entire town in the sector using a linear relationship of sample direct with sample indirect costs $asy_{ij}/x_{ij} = Y_{ij} / X_{ij}$, where

“ y_{ij} ” is sample indirect cost in sector i in town j

“ x_{ij} ” is sample direct costs in sector i in town j

“ Y_{ij} ” is population indirect costs in sector i town j

“ X_{ij} ” is population direct cost in the sector i town j

⁵Woredas refers to the lower administrative tiers or districts

y_{ij} , x_{ij} , X_{ij} are obtained from the data while Y_{ij} is estimated from the relationship $(y_{ij}/x_{ij}) X_{ij} = Y_{ij}$. The total direct and indirect costs per town were $X_j = \sum_1^s X_{ij}$ and $Y_j = \sum_1^s Y_{ij}$ respectively. The direct and indirect costs per town (X_j and Y_j) were aggregated to total costs per town (Tot_j) $Tot_j = X_j + Y_j$. Average ratios of indirect and direct costs per sector from all sample towns i.e., $AR_{iS} = \left[\sum_1^n (Y_i/x_i) \right] \frac{1}{n}$ were used to estimate indirect costs for non-sample towns. i.e., $Y_{ijN} = AR_{iS} X_{ijN}$ where N denotes non-sample towns.⁶

The Results and Discussion

The Frequency of violence, the state of damage, and the identity of victims:

The last five years (2015 to 2020) were trying for the entire country. No region in the country did not encounter violent conflicts of sorts. The armed conflicts have with several fatalities and the destruction of property. Records of Armed Conflict Location & Event Data (ACLED, 2020) provides the dates, and places of armed conflicts that took place in Ethiopia as it provides similar data for other countries. The frequency of occurrence of conflicts that led to fatalities, as summarized from this data set, for the period 2015 to July 31st, 2020, indicates that there were 7178 deaths in 1381 conflicts in Ethiopia. The regional distribution of fatal conflicts and deaths indicates that the highest number (3885) of fatalities was in Oromia (54 percent) with 894 conflicts, which was 65 percent of the total number of conflicts in the country. By far the second in line was the Amhara region with 843 fatalities (12 percent) and 144 conflicts (10 percent) in the same period. The third is the Somali region with 701 fatalities (10 percent) and 108 conflicts (8 percent). The average fatality per conflict was highest in the Gambela region with 20 deaths per conflict. The next highest death per conflict was in Benishangul (9), Afar (8) and Tigray (8).

⁶ The scheme of estimation is developed by the research team

Table 1:**Fatal conflicts and deaths between 2015 and July 31, 2020, per region in Ethiopia**

Region	Total fatalities 2015- Until July 31, 2020	Percentage share in fatalities	Number of conflicts that led to fatalities	Percentage share in frequency of conflict	Average Fatality per conflict
Addis Ababa	201	3	43	3	5
Afar	165	2	21	2	8
Amhara	843	12	144	10	6
Benshangul-Gumaz	340	5	40	3	9
Dire Dawa	36	1	15	1	2
Gambela Peoples	377	5	19	1	20
Harari People	27	0	9	1	3
Oromia	3885	54	894	65	4
Somali	701	10	108	8	6
Southern Nations	441	6	67	5	7
Tigray	162	2	21	2	8
Total	7178	100	1381	100	5

Source: Own computation based on ACLED data set (2015 to 2020)

The survey undertaken by our study in 2020 indicates that the damages were largely in the Oromia region, Southern Nations and Nationalities and Peoples Region (SNNPR), and Amhara Region. In most sites looting, arson, inflicting physical damages on property, and killings took place. Damages of property through arson were the largest (53.76%), followed by Looting (23.47%) and breaking / physical damage (22.77%)

Table 2:**Category of damage sustained**

	Frequency	Percent	Cumulative
Arson	229	53.76	53.76
Looting	100	23.47	77.23
Physical damage	97	22.77	100
Total	426		

Source: Own survey

In most sites of violence in Oromia, the violent riots began with looting followed by arson and breaking. The destruction by arson in 2020 was selective, not random, or not across the board. The selective appearances of the destruction betray the prior planning that preceded the action occasioned by the trigger. The damage was not a result of conflict between two groups rather it

was an attack by a violent group on other peaceful civilians. The arson looting and killings targeted in general peaceful civilians who by no means were ready to reciprocate the violence. The damages were at the center of towns in business spots, near police stations, or other government security bodies. The victims were predominantly ethnic minorities in the region (Amharas, Gurages, Wolaytas, etc.) largely belonging to the Orthodox Christian denomination.

In the Amhara region, the destructions were mutual damages inflicted on one another depending on who happened to be a minority in different localities. Violence in SNNPR was diverse and targeted ethnic minorities of Wolaitas and Non-Gedeos respectively in Hawasa and Dilla. In BenishagulGumuz the conflict was between ethnic Gumuz and Non Gumuz ethnic groups (Amhara, Agew, Oromos Shinashasetc).

Overall, in all regions, the victims were from 18 ethnic groups of which the largest victims were ethnic Amharas(35.4percent), ethnic Oromos (21.4percent), ethnic Gurages(14.1percent), ethnic Welaytas(6.6percent) constituting 77.5percent of the sample victims. The ethnic composition of 93.8 percent of the victims was from 10 ethnic groups as tabulated below. Among the respondents in the sample, 13.1 percent experienced human injury.

Table3a:

Victims' Ethnic Identities

No.	Victims ethnicity	Number of victims	Percentage of victims	Cumulative percentage
1	Amhara	184	35.45	35.45
2	Oromo	111	21.39	56.84
3	Gurage	73	14.07	70.91
4	Welayta	34	6.55	77.46
5	Shekecho	19	3.66	81.12
6	Siltie	17	3.28	84.4
7	Konso	14	2.7	87.1
8	Tigray	13	2.5	89.6
9	Somali	11	2.12	91.72
10	Agaw-Awi	11	2.12	93.84

Source: Own survey

Table 3b:
Religious Affiliations of Respondents

No.	Faith Affiliation	Number of victims	Percentage of victims	Cumulative percentage
1	Orthodox Ch.	339	65.32	65.32
2	Protestant Ch.	98	18.88	84.20
3	Catholic Ch.	1	0.19	84.39
4	Muslim	76	14.64	99.04
5	Waqefeta	2	0.39	99.42
6	Traditional	2	0.39	99.81
7	Other	1	0.19	100
8	Total	519	100	

Source: Own survey

Among the victims, 47.4% were born in the woreda while 52.6% were born outside the woreda. Being born in the woreda was not a guarantee and protection from attack or being the victim of the violence. In terms of the number of years lived in the woreda/town those who lived between 10 and 30 years constituted 50%. Those who lived more than 30 years constituted 34%, which means 84% of the respondents have lived for more than 10 years in the localities where the violent attacks occurred.

Perceived causes of violent riots:

The responses of the sample units (households and businesses) indicate that the three main root causes of the recent violence in their respective localities were (a) ethnic politics that spewed ethnic hatred, (b) payment incentives made to disturb, and (c) envy of economic success of others. The responses subscribing to politically charged ethnicity as the cause of the violent unrest were more than 6 times those who expressed otherwise. Eighty-six percent (86%) of respondents (among those who gave definite Yes or definite No) agreed that the violence was the result of ethnicity-charged politics. Pay incentives to participate in violence and envy of the success of others accompanied ethnic politics. Triangulation of the findings with KII and FGDs indicate that the drivers of various violent conflicts and political unrests that occurred in the recent past in Ethiopia were predominantly ethnic politics and machinations redirecting economic dissatisfactions to political violence against other ethnic groups as if the other ethnic groups were responsible for economic sufferings in the past and present.

Largely, ethnically oriented politics mentally prepared, physically organized, and mobilized the youth to actualize the violent riots, with regional variations.

Table 4:
Perception of Respondents on Participants of the Violence

	The participants of the violent unrest were	Yes, I agree	I don't know	No, I don't agree	Percent Y/N	Yes as % of a+c
		a	b	c	a/c(%)	(a/a+c)*100
1	Politically charged with ethnicity?	414	38	67	618%	86%
2	Historically built-up ethnic hatred?	396	40	83	477%	83%
3	Paid to disturb by opposition politicians?	365	70	84	435%	81%
4	Charged with envy of economic success	368	66	85	433%	81%
5	Paid instruments of corrupt gov't officials?	295	116	108	273%	73%
6	Unpaid instruments of corrupt gov't officials?	231	167	121	191%	66%
7	Paid to disturb by business persons?	274	101	144	190%	66%
8	Political low trust in government?	258	125	136	190%	65%
9	Religious fanatics themselves?	231	97	191	121%	55%
10	Paid to be disturbed by religious fanatics?	231	84	204	113%	53%
11	Unpaid instruments of corrupt businessmen?	171	180	168	102%	50%
12	Unemployed with a poor livelihood?	160	82	277	58%	37%
13	Historically built up religious hatred?	143	115	261	55%	35%
14	With grievance on corruption?	112	144	263	43%	30%
15	Poor and disgruntled by inflation?	112	77	330	34%	25%
16	Dissatisfied with underdevelopment?	106	79	334	32%	24%
17	Charged with hate speech on social media?	82	129	308	27%	21%
18	With grievance on injustice?	92	77	350	26%	21%

Source: Own survey results

The same infused ethnic politics in the government structure disabled and demobilized it from playing its role as keeper of law and order. The cost of violence materialized with fatalities, physical and moral sufferings, and direct and indirect damages in arson, looting, and breakage. The actualization of the violence was both the responsibility of the politicians who were communicating, organizing, and mobilizing the riots and the structure of government that did not play its role in de-escalating the violence. The following responses in the survey (Table 5) indicate the presence of strong organizers and weak government during the violent riots that took place in their localities. In other words, a large number of government officials at different levels evinced implicit support or acted as facilitators of the destructive riots. Perceptions of the role of government before, during, and after the violent protests (Table 6) confirm that the government failed to de-escalate the violence.

Table 5:**Perception of the Weakness of de-escalators and strong precipitators**

	Violent unrest progressed because of:	I agree	I don't know	I don't agree	Percent Y/N
		a	b	c	a/b
1	Availability of well-prepared organizers of violence	431	56	32	1347%
2	Failure of the government to support victims on time	426	49	44	968%
3	Failure of security forces to detect preparations of violence.	425	50	44	966%
4	Tacit approval of violence by the government officials.	434	40	45	964%
5	Tacit approval of media broadcasts instigating ethnic hatred.	410	70	48	854%
6	Failure of security forces to stop violent actions in time.	417	44	58	719%
7	Failure of the government to capture core leaders of the violence	428	29	62	690%
8	Failure of societal values and social capital of the community	391	60	68	575%
9	Failure government to properly run daily functions	321	88	110	292%

Source: Own survey

Table 6:**Perceptions of the role of the government before, during, and after the violent protests**

Time of action	Violent unrest progressed because of:	Yes, I agree	I don't know	No, I don't agree	Total	% in total	a/c
		a	b	c	d	a/d	
Before violence	Failure of security forces to detect preparations for violence	425	50	44	519	81.9	966%
	Tacit approval of the government officials on preparations for violence	434	40	45	519	83.6	964%
	Tacit approval of the government for media broadcasts to instigate ethnic hatred.	410	70	48	528	77.7	854%
During violence	Failure of government security forces to stop violent actions in time.	417	44	58	519	80.3	719%
After violence	Failure of the government to capture core leaders of the violence	428	29	62	519	82.5	690%
	Failure of the government to support victims on time	426	49	44	519	82.1	968%

Source: Own Survey

Regional variations and specific manifestations:

Aggregation of KII and FGD responses led to the identification of 14 geographic belts of violence with marked differences in the nature and drivers of violence. The belts included the Bale-West Arsi belt, Adama-Asela belt, Ziway-Arsi Negele belt, Jima belt, Ginchi-Ambo-Woliso belt, Wolega belt, Chiro-Diredawa-Harar belt, the Hawasa-Dilabelt, Amaro-Derashe-Konso belt, Tepibelt, Wolaytabelt, North Gonder belt, Metekel-Belt, and the belt incorporating

Addis Ababa and surrounding, The belts signify a geographic area with some kind of similarity in the pattern of drivers of the violence, rioters and victims of conflict.

The Bale-West Arsi belt in Oromia is characterized by violence against civilians manifested by attacks targeting largely Orthodox Christians and groups labeled “Neftegnas”. The attackers were rioters largely from the Muslim Oromo group. The rioters repeatedly attacked the target group on pretexts that did not have visible links with the victims. Mention the two most conspicuous incidents in October 2019 and June-July 2020, the former incident was under the pretext of protesting against an alleged siege of an Oromo politician by government forces, while the other was on the pretext of protesting against the assassination of an Oromo artist, Hachalu Hundessa.

In Zeway-Arsi Negelebelt of Oromia, key informants agreed that there was an established direction in the administration towards discriminating dwellers of the Ziway as “native” and “migrant” with outright favor for “natives”. “Migrants” were second-rate citizens even if they were born and raised in the area. People qualify as first-rate citizens or “natives” in the towns even if they come from the surrounding rural districts. This mental construct has been the official guiding framework accepted as the norm among the youth. The Oromo youth, privileged to capture any opportunity first, were even convinced to think that everything produced or any property and income earned in the land belonged to them.

In the Adama-Asela belt, respondents in Adama divide the unrest into two: unrest before and after the coming to power of the new Prime Minister in 2018. The violent political unrest before 2018 was a revolt against the pseudo-federalist governance that was characterized by the political dominance of the minority elite that was accused of using its power to direct resources and infrastructural development unfairly at the expense of others. Despite diversities, the social values of the people were supportive of cohabiting. After 2018, violent political unrest started to reemerge due to some factors that the respondents did not agree with one another. Some ascribe it to a lack of national consensus on the best way forward and lack of honest dialogue between stakeholders, others to political struggle among different parties to become the next dominant leader using the unrest as a mechanism for holding power, and still others to the questionable conception that categorizes parties based on their affiliation to “true federalism” and “unitary

state⁷". The respondents in Dera identify hate of the current government that led to a covert movement and organization to bring about a change of government and replace it preferably with a Jawar-led "Islamic state". A unique response from Assella ascribes the current conflict to the forceful formation of Ethiopia in its history and subsequent oppression by few. The nation-building history of Ethiopia lacked people's willingness, which has led to mistrust and a lack of mutual understanding among people.

In the Chiro-Harar-DireDawa belt, responses in the town of Chiro directed the factors behind the violence mainly to political interests and the associated benefits. The youth that created all the damage during the conflicts were charged with ethnic politics and some of them were paid to disturb by opposition politicians. The youth were dissatisfied with underdevelopment and that caused them to participate in violent unrest. In Dire Dawa, there were two core drivers of violent attacks: One driver was political interest aiming to gain political benefit out of chaos by political entities claiming to incorporate the city into the Oromia Region, by aligning the youth charged with ethnic politics and some paid to disturb. On the other hand, most youths in Diredawa were tired of the apartheid practice of sharing administrative power and employment in quotas with the ratio of 40:40:20 (40percent for Oromo 40percent for Somali, and 20 percent for the rest of nationalities) in every sector. Starting from 2018, the core drivers of violent attacks In Harar were interests in political gains where politicians agitate the youth using narrations of past ethnic discrimination to create a sense of revenge with alternative initiation of religious conflict using extremist approaches to achieve the same political goals when the former fails. The majority of the youth in the city were unemployed and with low education backgrounds, which made them suitable for politicians' brainwashing. The discrimination against most young dwellers, in favor of Harari youth, in providing employment opportunities, became a source of grievance and subsequent violence.

In the Ginchi-Ambo-Woliso belt, a response from the Ambo ascribes the violent unrest to the collapse of the Gada system and the lack of a sound political system replacing the Gada system. Another response expresses the view that the Oromo people have always been struggling for their rights for a long period, but recently the brutal response of the government to protests by

⁷Those favoring "true federalism" seem to assume a true federal arrangement has to be based on ethnicity and language. Federal system not based on ethnicity or language cannot be true federalism and it is considered "Unitary". For them "Unitary state" arrangement is not democratic.

the civil society, killing innocent people requesting their right to free, fair, and democratic election and removal of inequality between political elites and society induced the violence. Economic and social problems have added fuel to the burning fire. Another response focuses on the systemic political ruling model of Ethiopian governments as a factor driving the violent unrest. Governance has always followed a top-down approach, not participatory governance, which means the wider section of society does not take part in the countrywide agenda.

In Ginchi, the violent political unrest in 2015 broke out because of the inappropriate utilization of Chelemo forest and the Addis Ababa master plan. Unattended socioeconomic problems, poor public service quality, the quest for Afan Oromo to be a federal working language, the quest for free, fair, and democratic election, justice, and the quest for removal of unemployment and corruption were drivers for the earlier violent unrest in Ginchi. Political appointees of government coming from other areas with their cabinet members excluding local people were creating grievances to fuel violent unrest. Regarding the circumstances that explain the most recent unrest, “unlimited democracy” is one factor behind unlawful activities. Unemployed youth from different woredas come to Ginchi and participate in unlawful activities when they fail to get formal jobs. The “unlimited democracy” coupled with the activities of OLF-Shene was the driving factor for the current violent political unrest. Responses from Woliso ascribe the violence in the town to deep-rooted political dissatisfaction with its genesis in Menelik II time that remained conspiratorial all along. The respondents express the view that Ethiopia oppressed the culture, language, and identity of the Oromos, following the dismantling of the self-rule Geda system by Menelik II and the subsequent oppressive system under Emperor Haile-Sellassie that changed the name of Woliso to Ghion.

In the Wolega belt, unemployed educated youth accumulated in the Dembidolo area and were growing desperate; per-capita income and purchasing power were falling as the employment opportunities and the production and sales of coffee in the area were generally declining with loss of peace and stability. This economic situation led to growing dissatisfaction and grievance. The public infrastructure facilities were not providing the services expected of them. The presence of an organized and armed group in the locality that clashes with government forces has become the source of violence. The occasional mistakes made by the government in committing

violent actions on innocent people and property have become part of the sources of dissatisfaction and violence.

In Jimma Belt, before the reforms of 2018, investments were not fairly done as they mostly were not benefiting the local community. After 2018, the reforms did not permeate down to the grassroots level to resolve the economic problems of the youth. Such economic problems were nagging at the youth to fight for justice and to secure a fair share of economic benefits.

In the Hawasa-Dila belt, key informants in Hawasa pointed out that the violent unrest in Sidama in 2019 was driven by political motives intended to achieve the goal of establishing a regional state for ethnic Sidamas, for which the response of the Federal Government was over delayed. The violence was a response to the long silence of the Federal Government, which was blamed for the conversion of the waiting for the referendum into impatience and subsequent outburst of ethnic violence to attract attention. In the view of KIs, the violent attack and destruction in Dilla town in 2015 was orchestrated mainly by political leaders of the zone, not by members of indigenous ethnic groups. The violent attack was directed at non-ethnic Gedeos to divert the attention of dissatisfied people on the mismanagement of the local leaders. There were complaints by residents of corruption and a serious lack of good governance. In a bid to cover all their weaknesses, the politicians in power redirected the anger of local people to other citizens who were ethnically different from them.

The causes of the violence in Wolayta Sodo were depicted as reactions to attacks on ethnic Wolaytas in Hawassa in 2018 that were not properly investigated and justice served, coupled with the quest for regional statehood. This delayed justice called for a protest for which a demonstration permit was requested but denied, brewing dissatisfaction that in turn led to violent conflict on June/ 8/ 2020, and later. The quest for statehood was reciprocated by the regional government's delayed and improper response which led to dissatisfaction and suspicion. This dissatisfaction and suspicion were capped by the arrest of public figures, leaders, and opposition politicians.

In the Amaro- Derashe- Konso belt, following the fulfillment of a quest for the formation of Ale woreda separately from Konso and Derashe, the Special zones of Konso, Dertashe, Amaro, and

Burji were demoted to woredas reporting to a newly formed Segen Zone with the five woredas including Alle in 2011. The formation of Segen and the selected new zonal capital were the major causes of protest and counter-actions in Konso and others. The various ethnic groups coexisted throughout with occasional conflicts over farm and grazing land. Border disputes between the woredas were extensions of the traditional conflicts. The establishment of the new zone was not after resolving recent conflicts. Segen zone did not survive the protests. Responses ascribe the border dispute of Amaro with their neighboring woredas in Oromia and Segen Woreda in SNNPR as driving factors for the violence. There was incomplete land demarcation, registration, and certification along the borders. Border-related conflicts were aggravated by administrative failures and failure to handle interpersonal conflicts. Inter-personal clashes developed into inter-ethnic conflict.

In the Tepi belt, violent conflicts among Shekacho, Sheko, and Majangir ethnic groups that were “recognized” as the “owners of the zone” in contrast to other “settler” ethnic groups such as Amharas, Tigrayans, and Oromos were the manifestation of a power struggle among themselves. The Sheko-Majangir believed that there was an unfair distribution of power in favor of Shekacho. The political struggle was going on with the alignment of “migrants” with Sheko and Majangir while Shekecho was standing alone as a group. The Shekicho, Sheko, and the Majangir consider the area as their home territories while other several small groups were considered recent settlers of the area.

In the North Gonder belt, responses identify the drivers of violence in the presence of conflict entrepreneurs responding to economic incentives that generate lucrative returns by organizing and mobilizing violence. The conflict was designed to proceed along ethnic lines that involved Kimant and Amharas. The Kimant-Amhara “conflict” was partly hatched by government officials loyal to the TPLF-led regime. Thus, the Amhara and the Kimant were waging proxy conflict for the struggle between regimes. The political interest was financing the activities of conflict entrepreneurs in organizing and mobilizing the violent conflict and creating benefits from looting. The major incentive to fight was, using the violent situation, looting cattle, hotels, and household property. Moreover, the absence of good governance, malfunctioning bureaucracy, and infrastructural failure, were mentioned as conducive to violence hatching and government officials were highly reluctant to address it. In particular, corrupt officials were

turning their faces away from solving the problems and instead pushing the people towards violent actions directed at the government offices so that documents would be destroyed thereby cleansing them from evidence of corruption.

In Metekel belt, responses ascribe the violence as a product of the machination of the deposed political regime to come back to power. The violent actors were individuals without regular income who were easily incentivized by finances from the supporters of the deposed group. The group used mercenary assignments and the local people who were extremely low in income took part. The narratives on past ethnic oppression and animosity have left dark spots in the memories of the literate youth. There was a sketching of the current regime as a unitary political system that would deprive the ethnic Gumuz politicians of the political power in the woreda administration, to replace them with members of other ethnic groups. Thus, the Gumuz are in a state of general rejection of the current regime, laying the basis for the long-extended state of violent conflict. Moreover, claims of regional ownership by specific ethnic groups in the presence of people residing in the region without being represented in the political system and without being acknowledged as legitimate citizens of the region have served as sources of grievances and the reaction to this grievance fomenting violent conflicts as means of ensuring legitimacy.

Discussions on drivers of violence:

The accretion of ethnic hatred among young people in the Oromia Region, for which the media played a leading role, sketched the government as an anti-Oromo regime that serves the interest of others thereby provoking emotions against the government and ethnic minorities, labeled “Neftegnas”. The political machinations were instrumental in igniting riots at any pretext reinforced by poor public service quality and corruption, the low commitment of lower-level government officials in attending to administrative problems, unemployment and inability to accommodate the youth, ethnic segregation, and control of resources by the ruling elite. Other than current causes, remote historical narrations were employed to justify the violence whereby avenging the establishment of Menelik II’s Ethiopia that banned the Geda system was the goal of the violence. The violence in the guise of avenging the rule of 19th century Menelik II or

reinstating the Gada system seems to serve a more grandeur aim of establishing a new Oromo state in place of “Menelik ’s-Ethiopia” etc.

In the Hawasa-Dila belt, the violent riots were driven by political motives, where one was intended to secure political recognition while the other was to cover up corruption to stay in power. The same motive of covering corruption on the one hand and conflict entrepreneurship is reflected in the Gonder area. In Wolaita Sodo, the regional government’s delayed and improper response led to dissatisfaction and suspicion. The arrest of public figures, leaders, and opposition politicians by the Regional government has extended the grievance that lays the basis for future violence. In the Amaro- Derashe- Konso belt, regrouping or rezoning, or formation of new boundaries of districts were the sources of conflicts as boundaries were made not administrative but parts of ethnic identities. Moreover, incomplete land demarcation, registration and certification along the borders, administrative failures, and failure to handle interpersonal conflicts remain sources of conflict. The concept of home territories for some and labeling others as migrants originating from the constitutional setup of the country is a serious source of conflict in all the regions. Political machinations to capture, recapture, or maintain power through fostering ethnic violence is another common feature across the country.

Discussions on why violence prevailed in some woredas/ towns and not in others:

Despite the similarity in the prevalence of causal factors, why some sites were more violent compared to other sites was explained by the strength of precipitating factors towards violence and de-escalating factors working against the causes of the violence. For instance, violence in Ziway/ Batu town was more severe than that in the neighboring Meki town. The precipitating factors were the presence of communicators, organizers, and mobilizing agents. De-escalating factors were functional government administrative and security organs that enforce law and order. The existence of weak de-escalators and strong organizers with effective communication and mobilization capacity made differences in actualizing violence in some towns or woredas. The strengths of precipitators and weakness of de-escalators explain why some towns were more violent compared to others under the prevalence of the similar economic and political drivers in both.

It was possible to de-escalate the violence at the various stages of the process before the occurrence of actual violence through social, economic, and political actions. As the majority of KIs from 43 sample woredas expressed, the government and its institutions failed to act timely and adequately before, during as well as after the destructive violent riots held in many areas of the country. It is hard to believe that the security forces did not have information beforehand on possible violence that was in the making. This leads to the conclusion that the administrative and security organs of the government at all levels feigned ignorance on a matter that cannot escape their attention. The government did not play its role in preventing before, controlling during, and stabilizing after the riots. The major reasons for failure included: implicit support for protesters by government officials, lack of coordination and commitment on the part of government officials and security forces to protect victims.

Participants of the violent riots were predominantly young people. The reasons given by the key informants and participants of the focus group discussions regarding the participation of the youth in the violent unrest were diverse. In Ethiopia, the youth account for more than 70 percent of the population and they want to be part of the political discourse and economic activities. However, in many cases, they do not get enough attention and are not well accommodated in the system. This exposed them to violent entrepreneurs such as radical political parties, fanatic religious groups, double agents, and corrupt government officials who abuse the youth and exploit them to implement their hidden agendas. Generally, poverty, unemployment, the poor education system, fake news on social media, and poor attention given by the government all have contributed their part to exposing the youth to violent entrepreneurs and being bribed by persons with dubious aims who use them for their targets.

The consequence of the violent riots:

In the view of the respondents, the consequence of the violence was in the first place transforming many victims to immediate destitution and threatening the lives of many. The violence has resulted in the loss of confidence in doing business and creating wealth. Movement from place to place has become difficult, income flows have been interrupted, confidence in government and confidence in others has become low, the option of migrating has become

strong, and growing reservation from investment has become the final resort for those who had the resources.

Table 7:
Responses about the consequences of violent protests

	The violent protest has	I agree	I don't know	I do not agree	Agree/Disagree
		a	b	c	a/c
1	transformed others into immediate destitute	464	24	31	1497%
2	threatened the lives of many others in the future	478	4	37	1292%
3	led to the loss of confidence in the security of my property and business	467	15	37	1262%
4	restricted movement from place to place	451	14	54	835%
5	led to the loss of income sources	447	17	55	813%
6	threatened the life of my family and mine (fear of imminent murder)	448	11	60	747%
7	caused a loss of confidence in the government	430	13	76	566%
8	caused separation of family members	409	35	75	545%
9	transformed me to be an immediate destitute	404	25	90	449%
10	led to the loss of confidence in my neighbors	382	33	104	367%
11	forced me to think of migrating out of this place	381	32	108	353%
12	forced me not to reinvest	384	23	112	343%

Source: Author's computation using survey data

The other consequence of the violence was inflicting damage to the economy in the districts or towns. The violence destroyed residences, looted cattle from various kebeles, destroyed farmlands and crops, and demolished grain mills and other private investments of lifelong efforts of individuals. These damages and destruction of private businesses by the violent unrest have affected the household, the local, and the national economy at large. Business firms remained closed for many weeks/months and it took many additional days to return to normal. The violence has likely forced business owners to cancel many contracts and reconsider their expansion plans, to lose confidence in the government to ensure peace, and to induce uncertainty about future conditions. It induces reluctance to re-invest.

When private investors are not willing to come to those towns for investment, it creates unemployment in many towns. Investors who used to pay taxes to the government and support the local community were now seeking assistance for themselves. This negatively affected the economic activities of the localities through increased unemployment in these towns and became a cause for the decline in income of businesses along their value chains. Banks and other

financial institutions were unable to collect loans due to the damage to borrowers' businesses. Attacks on many public infrastructures and social service providers such as schools, health care centers, roads, etc. resulted in stagnation of the local economy.

In some cases, the effect is beyond estimation. For example, it is difficult to estimate the loss of human lives in monetary terms. Many individuals lost their families and were left alone because of the violence. One key informant pathetically told the suffering he went through in person due to separation from his wife and his children, while at the same time, losing all his sources of income. People living in their home woredas were forced to leave their houses and shops. This caused many individuals to be immediately destitute and inflicted with serious psychological damage with a loss of hope and interest to do any business shortly. Economic costs of retarding economic growth, loss of social well-being, and fiscal disruptions are among the difficult costs to estimate. While asset and property losses are relatively easily valued, loss of life, enormous human suffering in the form of pain, costs of medical treatment, loss in education and productivity, trauma, and fear are direct costs that were not valued in this study. The focus is on estimating what is possible, to show the lower side of the costs. We group those estimable economic costs of violence into direct and indirect costs. Direct costs appear in the form of the value of destroyed property, and indirect economic costs appear in the form of output loss and employment loss.

Direct costs and indirect costs under scenarios

Direct costs of violence occur because of looting, arson, and breakage of residence houses, retail outlets, office buildings, warehouses, restaurants, hotels, schools, churches mosques, etc. In addition to workstations and residential buildings, vehicle burning and breaking are the other targets of violence. All these losses can be valued and specified. The damages on the property as the only entry of the direct costs will understate the direct costs. The direct costs (values of assets and property lost), as claimed by the victims in some cases and as registered by government bodies in other cases, were computed from the list of victims and their respective losses per town for 65 sites (towns). The direct costs were in the range of 8.8 billion Birr. When the costs are distributed by sectors, agriculture, services, and industries account for 8.9%, 85.5%, and 6.6% respectively in the sample units. Indirect costs were composed of lost labor income, foregone

material inputs, and lost tax income of the government because of the damage. Indirect costs varied with the assumed time under which victims remained without rehabilitation. Among indirect costs foregone wages and salaries constituted 7%, the value of foregone material inputs along the value chains constituted 88% and foregone government tax income constituted 5% in sample units.

In addition to the direct costs of violent unrest, indirect costs of retarded growth, significant disruption of productive business or declines in output through a fall in the productivity of labor and capital and total break of production facilities, fall in labor supply and employment with displacement of people are consequences of the violence. Among these indirect costs, the study was able to estimate the value of foregone inputs (labor, and intermediate materials), and foregone tax income of the government. These components of indirect costs are understatement. Indirect costs for sample towns were computed for sample units and the linear relationship between sample direct costs and indirect costs per sector was used to estimate the indirect costs for the town at large (ref methodology section) in three scenarios. In this case, of sample towns, the ratio of each sector per town was used to estimate the indirect cost of the sector per town. In the case of non-sample towns, the average of the ratios in all towns per sector was employed as listed in Table 19 below the computed linear ratios for sectors were as follows.

Table 8:

Average indirect /direct ratio per sector used to estimate the indirect costs in non-sample towns/ woredas

(1) Hotels	12.6 2	(7) Schools	0.01	(13) Factories	20.2
(2) Residence houses	0.21	(8) Clinics	2.28	(14) Agri fields	0.10
(3) Restaurants	0.2	(9) Pharmacies	7.07	(15) Produced Agri products	0.28
(4) Boutique	3.73	(10) Ware Houses	2.94	(16) Cattle	3.51
(5) Shops	10.3 1	(11) Grain mills	0.83	(16) Shoats	55.0 2
(6) Vehicles	2.54	(12) Cash/ vault		(17) Others	1.74

Source: Author's computation using survey data

In computing indirect costs, the time dimension matters. Although the time elapsed between the date of the riot and the date at which economic life and businesses were assumed to be restored influences the magnitude of indirect costs. The longer the restoration time is the larger would be

the indirect costs. The period varies depending on the resources required, the resources availed and the efforts made to restore them. These determinants of the period are matters of the nature of businesses and implemented policy interventions.

Leaving the effects of policies in affecting the period for later discussions, here we assume two scenarios of a longer period and shorter period with which either all sectors or selected sectors restore to normal operations with the assumed periods. These assumptions create two major scenarios: a) all sectors restored in a year or half a year, and b) different sectors taking different restoration periods. In the first scenario, it is assumed that the restoration period is the same for all sectors. In the second scenario, the restoration period varies across sectors. This approach may be aligned later with outcomes of intervention and outcomes without intervention. The assumption of a restoration period of a year across the board may tally with a scenario without intervention (scenario 1.1), while a restoration in six months may tally with cost outcomes with intervention (scenario 1.2). Alternatively, the second scenario of different sectors experiencing different periods tallies with policy support of selected sectors instead of all sectors. In case of insufficient finance, a choice may have to be made to allocate the available funds. Thus, selected sectors may be financed and restored while those not selected may be left to their fate. In that case, those favored sectors will be restored within six months while the others will take more time say a year to come to life (scenario 2.1). In this scenario, a variant second scenario may be considered where sectors with small losses would recover on their own in three months, while selection may be made for intervention among the other sectors with larger losses to shorten the recovery period to six months. Those not supported and not small ones will be assumed to take a year or more to recover on their own (scenario 2.2). Thus, the assumed periods of restorations reflect possible policy interventions that were put in place to speed up the restart of businesses and economic life again in the towns or leave sectors to their fate without intervention. Thus, the policy interventions may be characterized as uniform interventions to restore all victims (scenario 1) and discriminatory intervention (Scenario2) leaving small businesses to their fate but intervening in favor of larger losses.

Costs under assumed scenarios:

Concerning the assumed period taken to rehabilitate victims, there were four scenarios considered

Scenario 1.1 No Intervention for a restoration span of a year:

If all victims were left alone for a full year without any supportive intervention by the government to rehabilitate them, indirect costs would be 9.6 billion birr per year for victims. Total costs under this scenario amount to 18.4 billion.

Table 9:**Total direct and indirect costs for both Sample and Non-Sample woredas under scenario1.1**

	Woredas	Direct Cost	Indirect cost	Total
1	Sample	5,874,499,503	5,953,116,512	11,827,616,015
2	Non-sample	2,897,085,701	3,637,869,349	6,534,955,050
	Total	8,771,585,204	9,590,985,861	18,362,571,065

Source: Authors computation using survey data

Scenario1.2 No Intervention for a restoration span of half a year

If all victims rehabilitated themselves in the first six months, indirect costs were estimated to be 4.8 billion Birr. Total costs under this scenario amount to 13.6 billion.

Table 10:**Total direct and indirect costs for both sample and non-sample woredas**

	Woredas	Direct Cost	Indirect cost	Total
1	Sample	5,874,499,503	2,976,558,254	8,851,057,757
2	Non-sample	2,897,085,701	1,818,934,675	4,716,020,376
	Total	8,771,585,204	4,795,492,929	13,567,078,133

Source: Authors' computation using survey data

Scenario 2.1 With Intervention in selected sectors with larger losses for a restoration span of half a year

If selected victims in sectors with big losses were rehabilitated in six months and the others were left alone without rehabilitation intervention, indirect costs would be 6.1 billion birr per year. Total costs under this scenario amount to 14.8 billion.

Table 11:**Direct and indirect costs with discriminatory intervention in scenario 2.1**

	Woredas	Direct total	Indirect total	Total
1	Sample	5,874,499,503	3,635,944,114	9,510,443,617
2	Non-sample	2,897,085,701	2,417,803,049	5,314,888,750
	Total	8,771,585,204	6,053,747,163	14,825,332,367

Source: Authors' computation using survey data

Scenario 2.2: Sectors with small losses would recover on their own in three months, while selection may be made for intervention among the other sectors with larger losses to shorten the recovery period to six months and those not supported and not small ones will be assumed to take a year or more to recover by their own. In this scenario produced agricultural products and cattle are left to their own, taking a year or more to recover, while the other sectors without intervention are assumed to recover on their own in three months. The costs are marginally lower than that in the previous scenario whereby indirect costs stand at 5.37 billion.

Table12:**Direct and indirect costs with discriminatory intervention in scenario 2.2**

	Woredas/ Towns	Direct total	Indirect total	Total
1	Sample woredas	5,874,499,503	3,087,269,896	8,961,769,399
2.	Non-sample woredas	2,897,085,701	2,280,492,009	5,177,577,710
	Total	8,771,585,204	5,367,761,905	14,139,347,109

Source: Authors computation using survey data

The total value of estimated indirect costs for a year without intervention was in the range of 9.59 billion birr. As shown in Table 28 the total costs of the damage under four scenarios with intervention and without intervention indicate that intervention lowers the magnitude of the indirect costs to values in the range of 4.8 to 6.05 billion birrs or 37 percent to 50 percent of the indirect costs without intervention. The highest reduction in indirect costs occurred with intervention in all sectors, without discrimination, to restore them in a maximum of six months.

Table13:**Comparison of total costs and associated cost reductions under the four scenarios**

No.	Description of intervention	Total cost of damage	Percentage reduction of total costs	Indirect costs	Percentage reduction in indirect costs
1.	With no intervention across the board (Scenario 1.1)	18,362,571,065	0%	9,590,985,861	0%
2.	With Intervention across the board (Scenario 1.2)	13,567,078,133	-26%	4,795,492,929	-50%
3.	With partial intervention in selected sectors having high costs or with indirect to direct cost ratio(scenario 2.1)	14,825,332,367	-19%	6,053,747,163	-37%
4.	With partial intervention on selected sectors as in scenario 2.1, but with the assumption of faster recovery of smaller cost non-agricultural activities in 3 months(scenario 2.2)	14,139,347,109	-23%	5,367,761,905	-44%

Source: Authors computation using survey data

Conclusions and Remedial Measures

Ethiopia, despite all social and economic challenges, and minor political shocks remained a highly stable and secure country. However, the recent dynamics mainly the incidence of politically motivated riots over the last decade affected its historical trajectory. Drawing lessons from recent occurrences and designing economic, social, and governance actions to build a future peaceful country remains one of the key areas of development as peace is the most essential component of national growth and development. The overall suggestions of KIs and FGD participants in the visited woredas were similar to the aggregated views of individuals who participated in the survey. The suggestions revolved around: rebuilding a relatively clean governance system; closer scrutiny of political parties with hidden agendas, not relying on information gathered from governments' lower officials only; building confidence of victims, building a system that respects rule-of-law, ensuring disbursement of promised compensations for victims, revisiting the commitment of security forces to protect constitutional rights of citizens, stopping medias from broadcasting ethnic hatreds, building capacity of local

institutions, opening platforms for public discussion and dialogues, Allowing all citizens/residents to participate in the police forces and administrative structures.

Direct costs have already been incurred as a result of the violent unrest and riots. There is nothing to be done to reduce them. What may be done by way of intervention is indirect costs. Indirect costs are foregone benefits that would have been accrued had the damages not occurred. These foregone benefits were estimated from the sum of employment income lost during the riots in the sectors, the value of foregone interrupted inputs reflecting the costs along the value chain, and the tax income of the government. These components of the indirect costs understate the value of foregone benefits as it does not incorporate business profits and lost goodwill. The data analysis on the entire chain of economic costs of violence was geared toward identifying the type of interventions needed and undertaking scenario analyses of outcomes with and without the interventions. The scenario analyses were used to suggest policy measures. The magnitude of the indirect costs is dependent on the length of the period between the occurrence of damage and the time of recovery. The longer the period the larger would be the magnitude of indirect costs. The total costs of the damage under four scenarios with intervention and without intervention indicate that intervention lowers the magnitude of the indirect costs to values in the range of 39 percent to 50 percent of the indirect costs. The highest reduction in indirect costs occurs with intervention in all sectors, without discrimination, to restore them in a maximum of six months. Economic remedial action is the restoration of sectors. Restoration of activities requires recompense of the sustained direct costs as damages estimated at 8.7 billion birr. From the perspective of stimulating the economy at large, this amount of finance made available for restoration would have returned in the form of the creation of jobs, stimulating the value chains of the damaged sectors, generating profits for businesses, and generating tax income for government with a payback period of roughly much less than two years.

Building sustainable peace and security requires well-thought policy measures not to repeat the same mistakes. The study based on its findings recommends short and long-term policy measures that combine political, administrative, and economic actions required to prevent future violent unrest and resulting socio-economic damages.

The recommended short-term political measures include (1) closer scrutiny of movements with hidden agendas that stand contrary to the unity of the people and (2) Regulating media outlets that broadcast ethnic and religious hatred. The long-term political measures include (1) rebuilding a relatively clean governance system, free from corruption, and ethnic and religious biases; (2) Opening platforms for public discussion and dialogues, to build cooperation and resolve political and cultural differences that may lead to clashes in the future and (3) Correcting Constitutional and legal provisions that may lead to discriminations of sections of regional citizens or minorities in political decision making and exercising human rights.

The short and long-term administrative measures are found one of the most important measures for building future peace and security in the country. Proposed short-term administrative measures include (1) revisiting the commitment of security forces to protect the constitutional rights of citizens and (2) not relying on information gathered from governments' lower officials only; Information from lower-level officials has to be formally accepted as true after cross-checking Some of pertinent long term administrative include (1) building a system that respects rule-of-law; (2) building administration capacity of local institutions and (3) allowing all citizens/residents in the in the area to participate in the police forces and administrative structures.

Proposed economic aspects of the measures from the short-run perspectives cover ensuring the disbursement of compensations using grants or loans for rehabilitating victims who lost their productive assets in different forms. The long-term proposed economic policy measures include (1) building the confidence of victims and society at large on investment and providing political assurance for private sector investment where the government provides adequate protection from any form of violent damages.

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