ETHIOPIA
POVERTY ELIMINATION AND BARRIERS TO DEVELOPMENT
Samantha Reed
Independent Study Project
June 2, 2015
BARRIERS TO DEVELOPMENT

- *The Bottom Billion* by Paul Collier
  - Bad governance
  - Natural Resource
  - Conflict
  - Geography (Bad Neighbors)
- *The End of Poverty* by Jeffrey Sachs
  - Poverty
  - Epidemiological
BARRIERS CONTINUED

- *Dead Aid* by Dambisa Moyo
  - Dependency culture created by Foreign Aid

- *Why Nations Fail* by Daron Acemoglu and James Robinson
  - Vicious Cycle
    - Extractive Institutions
  - Virtuous Cycle
    - Inclusive Institutions
SOLUTIONS

- Capital (Moyo)
- Big Push (Sachs)
- Clinical Economics (Sachs)
- Combination of four instruments (Collier)
  - Aid
  - Laws and Charters
  - Military Intervention
  - Trade
ETHIOPIA: AREAS OF CONCERN

- Institutions
  - Transparency and foreign aid
- Infrastructure
- Land Policy
A CLOSER LOOK AT LAND POLICY

- History - cultural barriers to reform
- Distributed equitably - just put name on waiting list
  - Downside of population increases
- Maintain property use rights - presence and dependence
- Some rental agreements/informal sharecropping
  - Cultural impacts
  - Lack of faith in government
- Missing/imperfect markets for inputs (Labor, oxen etc.)
- Implications
SUGGESTIONS MOVING FORWARD

- Increase Transparency
- Foreign Aid Analysis
- Investment in Infrastructure
- Land Reform
QUESTIONS?


