



### Editor's Note, November 26, 2021

The U.K. government this week urged its citizens to leave Ethiopia immediately due to the risks from its escalating civil conflict, following similar warnings by the likes of Germany, France, the U.S., and Turkey.

This comes just over a year into fighting between the federal government and forces in its northern Tigray state - originally aimed at neutralizing the Tigray People's Liberation Front. It has left thousands dead, displaced at least 2m people according to the UN, while threatening to further escalate already simmering ethnic tensions.

Prime minister Abiy Ahmed declared this week that he would personally lead the war effort from the front, following reports that rebel forces - which have announced a coalition to remove his government - have gained the upper hand over government troops, and could attack the capital Addis Ababa.

Regional and international mediation efforts have so far failed to produce a ceasefire, with any political settlement looking like a distant prospect.

All of this is unravelling one of Africa's more promising economic stories.

With double digit growth for much of the last two decades, many had tipped Ethiopia as a potential economic powerhouse, on the cusp of a manufacturing and industrial transformation comparable to China.

With some high profile investors halting or ceasing operations in Ethiopia, and the U.S. suspending Addis from its Africa Growth and Opportunity Act due to alleged human rights abuses, talk about investment opportunities has all but stopped. The economic uncertainty is so

bad that the International Monetary Fund declined to issue a growth forecast in its latest outlook.

In just one year Ethiopia has slipped from economic success story to failed state candidate. If hostilities don't end soon, followed by meaningful negotiations for a political settlement, it could go all the way.

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## This week's Picks

### From The Continent

**Kenya Airways and South African Airways have signed a partnership aimed at launching a pan-African airline by 2023.** The goal is to improve the finances of both carriers, which have struggled in recent years, while boosting bilateral and regional trade. **More: [Business Day](#)**

**Nigeria has announced plans for up to \$5.8bn in cash handouts annually to as many as 40m people, aimed at mitigating the impact of a planned, politically sensitive fuel subsidy cut.** This is aimed at shoring up public finances amid soaring debt and falling revenues. **More: [Al Jazeera](#)**

### THE WEEKLY STAT

## 3000 years

**The age of the Avenue of Sphinxes in Luxor, Egypt, which was opened to the public this week following decades of excavation efforts. More: [NBC News](#)**

## The Global Perspective

**Oil trading firm Vitol has announced a \$2.3bn to buy Africa-focused energy retail Vivo Energy, having sold shares in the company in 2018.** This is part of efforts to tap growing markets for its core oil business amid a shift towards renewable energy. **More:** [Bloomberg](#)

**The U.K. has temporarily suspended flights to six African countries - South Africa, Namibia, Lesotho, Eswatini, Zimbabwe and Botswana - following the discovery of a new Covid variant in South Africa.** The World Health Organization is due to meet on Friday to assess the variant's implications for existing vaccines and treatments. **More:** [CNBC](#)