ERRATIC VIEWS AND POLICY INCONSISTENCY ON PRIVATISATION MODALITIES IN ETHIOPIA: IMPLICATIONS ON THE PERFORMANCE OF FIRMS IN THE INTERNATIONAL MARKET

A SYSTEMATIC REVIEW

Mohammed Ahmed Endris [1]***, Abebe Ejigu Alemu*** [2]***,***
Abiot Tsegaye Kibret [3]

Abstract

Background and objectives: Since 1991, several state-owned enterprises in distinct categories were transferred to the private sector under the privatisation policy in Ethiopia. The process and its modalities vary. The notion behind the implementation was to transfer those inefficient public-owned firms to the private sector with an expectation of improving defects. But, privatisation processes are neither a one-time incidence nor an immediate action. Privatisation processes are inter-linked with various macro and microeconomic and sometimes socio-political policies, and reforms. In this paper, privatisation modalities, inconsistencies, and arguments regarding the Ethiopian privatisation process are analysed.

Study Design / Material and Methods*:* Using a systematic literature review process, 50 papers were found and extracted in a methodical manner from PubMed, Ecobiz, and Google Scholar Databases. The analysis was undertaken following systematic categories after taking heterogeneity articles on Ethiopia's privatisation process into consideration.

Results: The government encompasses large public-owned enterprises in the privatisation process; however, the privatisation modalities and timing are still a point of controversy among scholars. The effective privatisation process required institutional development, and

[1] Arba Minch University, College of Business and Economics, Department of Management, Arba Minch, Ethiopia, mamaa2854@dbu.edu.et / mamaa2854@gmail.com, ORCID 0000-0003-2714-1391

[2] International Maritime College Oman, Professor of Management, Department of Logistics Management, Sohar, omanabebe@imco.edu.om

[3] Arba Minch University College of Business and Economics Department of Management Arba Minch, Ethiopia, abiot329@yahoo.com / abiot.tsegay@amu.edu.et

DOI: 10.19253/reme.2023.02.001

the government's promises were put to the test. The performance of enterprises was significantly impacted by legal and policy frameworks. The legal framework and consistently unstable nature of Ethiopia's privatisation history have been observed. It has been observed that the legal framework and consistently unstable nature of Ethiopia's privatisation history.

Practical implications: This study has a practical contribution and input by giving insights for researchers, practitioners and policy makers for providing alternative privatisation modalities, appropriate for the Ethiopian context.

Conclusion and Summary: The mode of privatisation must be pre-examined and carefully selected by considering important success factors including public interest, objectives of endeavour, and the sustainability of firms. The techniques must consider the nature and characteristics of the firms studied, clarity and well-prepared privatisation options.

Keywords: privatisation, policy inconsistency, privatisation modalities, Ethiopia

JEL Classification: E0, L2, M2, O1

Paper Type: Review

1. Introduction

Regarding the motives of privatisation in developing countries, there are many internal and external factors to be considered. These factors also differ in each country, and even each industry, and each firm displays specific characteristics. However, all share empathy; that is, privatisation helps to improve economic performance, decrease the government burden of management, rationalise public goods, increase shared ownership, enhance efficiency, and improve service quality *(Wacziarg & Welch, 2008)*. However, the motive behind privatisation is not limited to those factors; rather the motives go beyond those associated with the government's political ideology. Right- and left-wing political ideologies have contradictory views towards privatisation yet the policies of the neo-liberal state strongly favour and are committed to supporting those countries with the same stances *(McCulloch, et al., 2001)*. Privatisation is the dominant policy reform measure, which is strongly supported by the International Monetary Fund and the World Bank. These international organisations advocate that privatisation enhances economic efficiency, stimulates the private sector, and attracts foreign direct investment.

Sometimes, those countries in favour of privatisation exert pressure on developing countries to undertake privatisation programmes. Developing countries use this policy as an instrument to guarantee foreign debt to fulfill their national budget deficiency. However, the privatisation process especially in developing countries was claimed to result from problems such as loss of jobs, invisible donor pressure, lack of ownership and transparency, and the deterioration of social services *(Kayizzi-Mugerwa, 2002)*. Therefore, the advantages and disadvantages of privatisation depend on the capacity of the nation to manage all privatisation processes *(Tenaw, 2011)*.

2. Rationale of the study

Ethiopia is like most other sub-Sahara African countries; its economy is highly dependent on agriculture and the degree of exports in the total national GDP is nominal and insignificant. Ethiopia is also a late-starter regarding privatisation even by African standards *(Estrin et al., 2019)*. When the national treasury was empty and there were few alternatives, financial providers systematically enforced conditions to privatise state-owned enterprises *(Nellis, 2012, Leykun, 2020 a)*.

However, the objective of the Ethiopian privatisation programmes under Proclamation No 146/98 was to generate revenue for public expenditure and support national development activities, to change the role of the government and shift the attention of the government from focusing on routine business-doing issues that required more attention and strengthen the private sector.

On the other hand, key state-owned enterprises were running with risk, lack of innovative management, shortage of raw materials and outdated materials, and insufficient access to foreign exchange, which were considered to be significant causes of their inferior performance *(Sundara Rajan et al., 2005; Gebeyehu, 2011)*. Both internal and external driving factors contributed to the slow but major decision to privatise which was dominantly attributed to a lack of government interest *(Och et al., 2004)*. In the 2000s, the government of Ethiopia interrupted the privatisation decision due to a number of reasons including overriding corruption and the wrong privatisation modalities which created private monopolies, and subsequently the Ethiopian government even started a renationalisation process *(Wodajo & Senbet, 2017)*.

Following the downfall of the Derg regime in 1991, privatisation was undertaken. The change in the regime was an important turning point, with privatisation becoming part of a major reform package with some other structural policy adjustments *(Gebeyehu, 2011)*. Under this package between 1991 and 2014, within two decades, Ethiopia privatised 374 public firms under different privatisation modalities, and it earned around Birr 19.8 billon (more than 1 billion USD), which helped the government to finance other government priorities. The move for privatisation was implemented step by step in which small and retail shops were privatised first and by taking this experience medium and large-scale firms were subsequently privatised *(W/yohannes, 2015)*.

The privatisation process consequently became influenced by external pressure rather than the government's own curiosity *(Göte, 2004)*. The government understood and strongly informed that the existing private investment was vulnerable to unfair competition, especially for medium and small enterprises hindered by lack of access to capital even for domestic operations. However, it is recognised that promoting private investment in the manufacturing sector has a significant benefit on enhancing innovation, accelerating economic growth, and reducing poverty. The manufacturing sectors create job opportunities, generating revenue and increasing income for the poor, and these eventually ensure long-term socio-economic transformation for the overall well-being *(Nolan & Zhang, 2003)*.

In the Ethiopian context, the manufacturing sector is the most important sector of the economy next to agriculture, which is possible to consider as an engine of long-term growth and development. Even though the Ethiopian economy is currently dominated by the primary non-value-added agriculture, the nation envisioned and struggled by designing the so-called 'agricultural development leads to industrialisation' (ADLI) policy for a number of years. This policy helps the agriculture-based economy to a manufacturing transformation, which is more sustainable for revenue generation and sustained development (Abebe, 2018).

There are inconsistencies in empirical studies related to the change in performance due to the intervention of the privatisation policy in Ethiopia; there are always significant controversies among researchers and academic scholars that support and negate the effect of privatisation on a firm's performance. In this respect, the study of *Wodajo & Senbet (2017)* shows that the government excludes all the stockholders that are categorically affected by privatisation. Another study by *W/yohannes (2015)* claimed that privatisation has no significant impact on the financial and operational performance of state-owned enterprises, rather it leads to increased investment and a decline in overstaffing. Therefore, it is logical to ask whether the privatisation process in Ethiopia creates advancement in the performance of enterprises. The major objective of this research was to investigate the paradoxical views and approaches regarding the Ethiopian privatisation process, its modalities, and its impact on the international export market performance of privatised firms under consideration.

3. Objectives of the research

The general objectives of the research were to investigate various modalities of privatisation and its influence on export performance in the Ethiopian context. To achieve this objective, the research also answered the following specific questions

1. What is the contribution of the privatisation policy in Ethiopia to the expert performance of privatised manufacturing firms?
2. Which privatisation modalities are enough to achieve an improvement in performance in private firms?
3. What factors affect the consistent implementation of privatisation modalities throughout the privatisation process?

4. Operationalisation of terms and concepts

Different scholars in different contexts elucidate the concept of privatisation differently (Table 1). However, the essence and concepts of privatisation revolve around the general process of transferring ownership from state-owned enterprises to the private sector with different privatisation modalities. Due to business significance, privatisation has been part of a broad literature in economics, marketing management, and political sciences.

On the other hand, the concept of privatisation is approached separately according to the economic, political and social context of nations and governments. However, there is still a lack of consensus and agreement on the driving forces behind the motives of privatisation in most of the literature *(Obinger et al., 2013)*. Some authors argue that the concept of privatisation is strongly associated with government partisanship *(Obinger et al., 2013)* while others do not agree that there is a relationship between privatisation and government partisanship *(Fink, 2011)*. Belke et al. *(2007)* advocate that there are partisan differences that exist in the 1980s and disappear in the 1990s.

Conversely, scholars argue that globalisation triggers privatisation *(Belke et al., 2007)*. However, other scholars, *(such as Fink, 2011; Thew et al., 2015 and Obinger et al., 2013)* claim that this is difficult to generalise and there is not enough evidence that the more globalised countries are more privatised than others. Moreover, other studies revealed that privatisation is a response to high debit or high budget deficits *(Obinger et al., 2013; Schuster, 2013),* while others do not find a significant relationship between the financial positions of a country and their privatisation motives *(Megginson et al., 2000; Obinger et al., 2013*).

Irrespective of the arguments and debates, policies towards privatisation have a fundamental implication on the consumer market. Even if Ethiopia was a late-starter in relation to other African countries' standards *(Emagne, 2017)*, significant structural adjustment measures have been made since 1991 to foster privatisation. Public enterprise law has been modified to create a new legal and regulatory framework consistent with the objective of moving towards a market economy *(W/yohannes, 2015)*.

Table 1. Conceptualisation of privatisation modalities

Privatisation modalities	Conceptualisation of privatisation modalities
Sales of assets	The sale or transfer of a government or state-owned entity's assets to private ownership is referred to as privatisation. These assets may consist of different kinds of buildings, businesses, infrastructure, or resources that the government once owned or controlled. Transferring the ownership and control of these assets from the public to the private sector is the goal of privatisation, which frequently aims to increase profitability, productivity, and efficiency. The government receives income from the sales of these assets, which also offers the potential to draw in outside capital and experience *(Adane et al., 2018).*

continued tab. 1

Sales of 100% of its shares	A government-owned resource or institution is privatised when its ownership and management are transferred to the private sector, typically through the sale of shares. A corporation is said to be fully privatised when all of its shares are transferred to private parties, removing government ownership and control *(Lloyd & Teshome, 2018).*
Management employee buyout	A management employee buyout is a term used to describe a scenario in which a company's management team or group of employees buys the company's assets or shares in order to privatise it. This usually happens when a publicly traded business chooses to go private and delist from the stock exchange. The management team wants to buy out the company because they think they can operate it more financially efficiently as a privately held corporation. Through this buyout, the management team is able to seize control of the business and turn it private, eliminating the need to adhere to the rules and obligations of being a publicly traded firm *(Addis et al., 2019).*
Concession for privatisation	A government or public authority's consent or agreement to hand over the ownership and control of a publicly held good or service to a private company is known as a concession for privatisation. In exchange for making this concession, the private party typically pays the government cash compensation in addition to taking on the operational and maintenance costs of the asset or service.
Total sales of privatisation	The amount of money received by selling state-owned property or enterprises under government control to private companies is referred to as total sales in the context of privatisation. It stands for the amount that has been transferred into the private ownership of the firms or assets. The money raised from these kinds of sales is frequently used to pay down the nation's debt, fund other public initiatives, or build new infrastructure *(Adeyemo & Salami, 2008).*
Restitution	The practice of making amends or providing restitution to people or communities that have suffered because of the privatisation of public resources or services is known as restitution for privatisation. This could entail giving monetary compensation, presenting substitute job prospects, or regaining access to necessary services that privatisation reduced or eliminated. The idea attempts to rectify any unfavourable effects that privatisation may have had on people or society at large while also acknowledging the possible social and financial consequences of the process *(Mesfin & Abera, 2016).*

Source: Literature review based on publication references included in the table.

It is crucial to remember that the specific objectives and conditions of the privatisation process, such as the industry involved, legal frameworks, and potential social or economic effects, should be taken into account while selecting the privatisation modality.

5. Export performance of privatised firms

Ethiopia began to privatise its manufacturing companies in the early 1990s as part of its economic reform programme. The objectives of the government were to draw in foreign direct investment, streamline bureaucracy, and increase economic efficiency. Since then, a number of manufacturing companies in a variety of industries such as food processing, cement, textiles, and more have gone public. Ethiopia's privatised industrial companies have had varying degrees of success (World Bank, 2019)Ethiopia's annual rate of economic growth, which averaged 10.3 percent over 2005/06-2015/16 (compared with the regional average of 5.4 percent. While some businesses have prospered, others have had difficulties. Increased international investment, technological transfer, and job creation in the manufacturing sector have resulted from privatisation. In certain instances, it has also increased manufacturing efficiency and introduced new management techniques. Concerns have been raised, meanwhile, about the speed and openness of the privatisation process. The government's privatisation strategy has drawn criticism for its general lack of openness, preference for some investors over others, and lack of competition. Ethiopia's industrial sector has also had to deal with issues such as poor infrastructure, restricted access to capital, and a shortage of skilled workers. Both state-owned and privately held manufacturing companies have seen performance changes as a result of these issues *(Leykun, 2020a)*.

6. Privatisation process in Ethiopia

In Ethiopia, the government's initiative to transfer the ownership and management of state-owned businesses (SOEs) to the private sector is known as the privatisation process (Table 2). Recent years have seen a surge in this procedure as the government looks to boost economic growth and increase productivity across the board.

Table 2. Major characteristics of the privatisation process

Privatisation process	Major activities	Major characteristics of the process
Step-1	Understanding Policy Framework	Ethiopia has a mixed economy, and the government has laid out a precise set of regulations to direct the privatisation process. Prioritising industries that are critical to the nation's economic growth includes manufacturing, finance, telecommunications, and energy.

continued tab. 2

Step-2	Identifying Priority Sectors	Based on their strategic significance and development potential, the government has selected important industries for privatisation. For instance, Ethiopian Airlines, which saw a partial privatisation in 2020, is an important resource for the nation's travel and tourism industries.
Step-3	Stakeholder Engagement	To guarantee a smooth transition during the privatisation process, the government involves a variety of stakeholders, including investors, industry experts, and international organisations. This entails gathering public opinion, creating legislative and regulatory frameworks, and carrying out feasibility assessments.
Step-4	Restructuring and Valuation	The identified SOEs go through a thorough restructuring process to increase their effectiveness and financial stability prior to privatisation. To ascertain the enterprise's assets, liabilities, and overall value, a thorough valuation is also carried out.
Step-5	Selection of Strategic Partners	To manage and invest in privatised businesses, the government looks for strategic domestic and international partners. This procedure includes requesting bids or holding talks with possible investors to make sure the chosen partners have the financial and technical resources to improve the SOEs' performance.
Step-6	Partial or Full Privatisation	The government may choose to privatise some or all of a sector, depending on the particulars of each. In order to preserve control over strategic choices and safeguard national interests, the government occasionally keeps a specific portion of the industry.
Step-7	IPO and Share Offering	In some cases, the government might issue shares of the enterprises that have been privatised to the general public through share offerings or initial public offers (IPOs). This contributes to a more equitable distribution of wealth and enables common people to take part in the nation's economic prosperity.
Step-8	Post-Privatisation Monitoring	The government keeps a careful eye on the performance of privatised businesses and their compliance to make sure they follow the conditions of the deal. This entails periodic evaluations, examinations, and regulatory supervision to protect the public interest and stop any possible exploitation or monopolistic behaviour.

Source: Tsegaw, (2016).

The overall goals of Ethiopia's privatisation process are to increase economic growth in a number of areas, draw in investment, and enhance efficiency. As the nation works to strike a balance between the needs of inclusive growth and socioeconomic development and the interests of private investors, it offers both opportunities and problems.

7. Methods

The search, evaluation, and summary of the wide range of contemporary privatisation methodologies and research approaches are the main goals of this review. A comprehensive search of the privatisation literature was conducted using the keyword "privatisation modalities" in the Business Source Premier (BSP) database, which holds 98% of the bibliographic records for 50 business and management journals with the highest impact factors *(Yongo-Bure, 2020)*.

In order to locate other studies that BSP was unable to locate, the researcher employed additional search tools, such as citation tracking, reference list scanning, and Google Scholar new publication notifications *(Haleem et al., 2017)*. Additional searches were carried out in specialised sectors that have attracted the attention of privatisation scholars, such as social science and business education. Data were collected between July 2022 and 1991, the year that marked Ethiopia's privatisation revolution.

Firstly, in order to determine the eligibility of articles for the systematic review, we limited our search to publications of this type only (books, book chapters, conference papers, theses, and dissertations), as peer-reviewed English language journal articles are crucial for validating new knowledge *(Barrios Sánchez et al., 2022)*. Their conceptual or empirical field applicability was the second prerequisite for acceptance. In an effort to promote transparency, avoid repeating the same reviews, and lessen reporting bias in the current study, the protocol was submitted to the International Registration of Systematic Reviews. The next logical step was arranging and organising the literature based on the thematic and theoretically oriented approach which helps to make it suitable for examining complex phenomena and avoiding sweeping generalisations.

For the sake of reliability, the researcher is limited to publications which were published since 1991, written in English including official organisational reports. Primarily, documents are collected from electronic databases by a strategy of hand-searching on a search engine. Based on the collection, the researcher uses 50 specialised journals and articles, and proceeds by recommendation of key informant experts selected for the analysis.

In order to include publications that the search method was unable to find, manual searches and reference retrieval were carried out on the reference lists of studies that qualified. The overall identification process comprised different consecutive steps and procedures summarised in Figure 1.

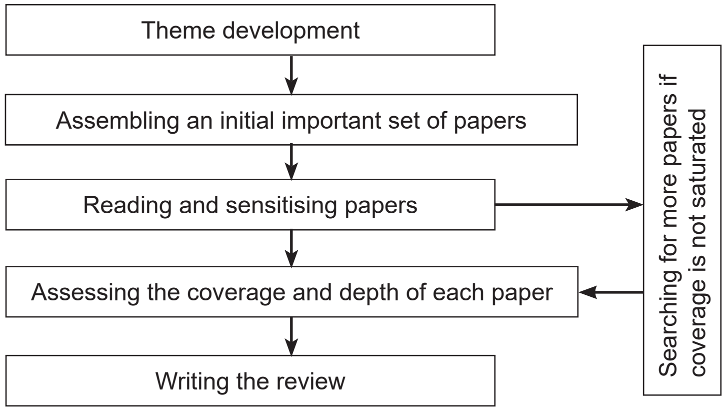

Figure 1. Process of review
Source: Own elaboration.

The researchers used different portals to find the most reliable journals in relation to the study area and compatible with the determined themes. The criteria for selection of the portal were convenient to use, better coverage, indexed, number of citations, and a combination of all criteria to eliminate the weakness of each approach. Finally, the set of papers is just a preliminary selection, which needs to be refined as the researchers continue to study the subject and find that citations from the papers are always useful sources for further reading. Consequently, after assembling the selected papers, the aim, research questions, research methods and methodologies, major findings, limitations, and suggestions for future research can be extracted from each paper according to the formats used.

8. Analysis and discussion

8.1. Arguments for and against privatisation in Ethiopia

There is a variety of empirical evidence and research conducted in relation to the effect of privatisation on economic performance. This evidence is more conclusive and more concerned with mostly microeconomic effects such as firm-level efficiency and productivity. However, there is no evidence and rigorous studies were conducted on the macro level such as the impact of the fiscal/budget and budget inflow/outflow contribution of privatisation especially in the context of developing nations *(Sheshinski & López-calva, 2003)*. The socio-economic effect on the other hand, depends on the nature of industries privatised and the privatisation modalities strongly need further investigation. Even some studies try to address the impact of privatisation on the macro level; those studies are accused of methodological problems in exploring the socio-economic effect of privatisation particularly in developing countries *(Megginson & Netter, 2001)*.

Privatisation advocates strongly justify privatisation as used for cost-saving and administrative expedients, the private sectors reduces the bureaucratic environment and service providers need to complete projects quickly *(Megginson & Netter, 2001)*. The government has many objectives other than profit maximisation; the government is responsible and turns its direction to administrative issues. The effectiveness of an organisation's operations and governance can be decreased if the government cannot readily commit to a policy. According to *Schuster (2013)* and *Megginson & Netter (2001)*, ownership structure has an impact on how easily the government can interfere with a firm's operations. Government goals can be incompatible with efficiency, incompatible with promoting societal welfare, or even malicious. Of course, governments are free to interfere in any company's operations, whether they are public or private. However, when businesses are privately owned, the transaction costs for the government to interfere in production schedules and other corporate choices are higher. Private ownership is thus preferred over public ownership to the extent that government intervention has higher costs than benefits *(Woldesenbet, 2020)*. The obligation to ensure the exit of failed businesses is another issue with government ownership. Governments frequently provide financial support to both public and private businesses to maintain jobs. When it comes to public companies, this issue is particularly serious. The state can hardly promise that it will not support its own businesses. The soft budget limits that follow further exacerbate the issue with state-owned firms' motivations. The value of invention is yet another argument in favour of private ownership; according to *(Leykun, 2020a)*, innovation can only flourish under private ownership.

The further development and eventual commercialisation of inventive ideas are undoubtedly more likely under private ownership, even if inventors can produce brilliant ideas regardless of the prevalent forms of ownership. Private ownership, which improves the incentives for profit maximisation, should increase productivity and allocate efficiency, according to *Megginson & Netter (2001).* The government's revenue is another point in favour of privatisation. Privatisation aids in increasing government revenue. State-owned businesses have a variety of objectives, including maximising profit. However, they place more of an emphasis on social security for the populace; growth in employment could result in overstaffing. More operational costs, inferior quality equipment used in production, and other related factors result in subpar goods that cannot generate more profit. Many developing nations have not privatised or have had difficulties after doing so. On the other hand, those who oppose privatisation initiatives claim that using cost reductions as the main justification for doing so is never a sure thing to succeed. Privatisation critics assert that private service providers prioritise profit margins over offering worthwhile services, which results in a decline in service quality. The competitors propose strengthening the current institutional structure if cost reductions are the goal, enabling the government to transform itself into a more effective and efficient service provider.

The argument made by those opposed to privatisation, which sometimes refers to market socialism, is that welfare theorems from classical economics should also apply to an economy with public ownership. One can envision a market socialism system (*Estrin et al.*, 2019) where enterprises are publicly owned, but exchange takes place in competitive markets, and SOE managers are rewarded through performance contracts, as opposed to a soviet type of economy with public ownership and planning. Some supporters of market socialism claim that China effectively executed this. It is safe to say that a significant barrier to the complete accomplishment of goals linked to privatisation, in general, is the absence of an earlier improved legal and regulatory framework.

8.2. Inconsistency on the Ethiopian privatisation modalities

Early in the 1990s, the privatisation movement in Ethiopia involved the direct selling of various institutions, including hotels, farms and factories. Other privatisation efforts concentrated on major facilities like breweries and strategically important industries like mines *(Leykun, 2020b)*. Because conventional economic theory offers little advice for privatisation, there is a persistent policy challenge over the divestment of state assets (Desta, 2019).

The Ethiopian Privatisation Proclamation No. 146/1998 does not sufficiently justify or even adequately identify the various privatisation techniques used in Ethiopia. The agency was granted the authority to choose the privatisation modalities, conduct the necessary research, and adopt comprehensive procedures to enable contextually relevant privatisation modalities. Ethiopia still has a few applied privatisation mechanisms, which is the problem. According to Pre (2019), the privatisation modalities that were most prevalent were asset sales, management buyouts, joint ventures with strategic investors, management contracts, competitive sales of shares, and restricted and negotiated sales.

According to empirical data from developing nations, full privatisation of a company yields better results than partial changes from state to private ownership because the latter is linked to a negative impact on long-term productivity growth *(Chole, 2018*). Privatisation improves performance more for concentrated owners such as foreign enterprises and a small group of key owners than for the broader public through share offerings or for managers and employees (Venkita Subramanian & Thill, 2019).

Inconsistent and unpredictable privatisation modalities create an unpredictable and loosely socio-economic environment, and society doubts the economic importance of privatisation. It is true that privatisation touches a complex set of socio-economic issues, such as property rights, internal and external stockholders' conditionality, the nature of market structure, and political orientation. The existence of a wide variety regarding African countries including Ethiopia, in terms of the way that privatisation strategies have been chosen, is continuously debatable and controversial.

8.3. Movements: Stylised facts on the privatisation process in Ethiopia

The transfer of ownership from government to private owners has become an important phenomenon in both developed and developing countries in recent years. In recent years, several economic policies in different countries seem to reflect a widespread growing interest in shifting economic activities from government ownership to the private sector. In the Ethiopian privatisation process, privatisation programmes and their implementation are coordinated and supported by the World Bank and the International Monetary Fund (IMF). The government of Ethiopia plans institutional reforms toward privatisation together with international pressure from the World Bank and IMF *(Tenaw, 2011)* State-owned enterprises gradually transferred to the private sector to strengthen competitive advantage over the dynamic business environment *(Megginson & Netter, 2001).*

The essence of privatisation in Ethiopia was to strengthen the competitive advantage of the private sector along with meeting government ideological needs. However, the government tries to limit the extent of private participation in the range of ownership and management of some enterprises. Certain enterprises are still fully or partially under the control of the government *(Abdeldayem & Aldulaimi, 2020)*. However, privatisation helps to limit government bureaucracy, and socio-economic and managerial problems *(Tsegaw, 2016; Chare, 2020)*. This actually creates a competitive business environment, and the overall marketing governing system forces private enterprises to perform more efficiently than public-owned enterprises *(Mengistu & Vogel, 2009)*. The privatisation trend worldwide was a late 1970s phenomenon and after 2008 it became a significant economic and political trend worldwide. Before 2008, sources of worldwide data related to privatisation were disaggregated and fragmented. The World Bank tries to organise and compile some regional data based on privatisation parameters. Most of the literature related to privatisation before this year was focused on the developed economy and Western countries. There is no well-organised evidence and data were available specifically on the role and impacts of privatisation for the developing economy and developing nations.

Pertaining to privatisation proceeds, one-third of the privatisation proceeds account for 240 billion dollars (about $740 per person) in the US within the years 1977 – 2002. The contribution of Africa, Asia and Middle East countries accounts for below 50 billion dollars *(Leykun, 2020b)*. Because of the privatisation movement, the share of state-owned enterprises in the national GDP gradually declined and large-scale privatisation programmes were finally launched. In the African context, privatisation programmes have occurred in successive waves with some countries in sub-Saharan Africa privatised much earlier than others by African standards.

As far as the relationship between privatisation and the profitability of firms is concerned, *(Sheshinski & López-calva, 2003)* show that privatisation increases the performance of firms with respect to profitability and overall efficiency. It is also considered problematic throughout the process because it is too interconnected with economic and political dynamics. The privatisation process is subjected to macroeconomic uncertainties *(Leykun, 2020)*. After the privatisation movement worldwide, the process helped to develop public-private partnerships. The government assumes that the private sector has a great and significant role in the economic affairs of the country *(Woldesenbet, 2020)*. The Ethiopian government plans to privatise government-owned enterprises by expecting the privatisation programme to increase the efficiency, profitability, and international competitiveness of firms and increase the ability of firms to achieve their goals. It is part of a global strategy directed at socio-economic and political changes and a means to link economic resources to national priorities. Privatisation covers different indicators, ownership measures, organisational measures, and operational measures. Ownership Measures: based on ownership indicators, the degree of privatisation is determined by the extent to which ownership should be transferred from government-owned to private owners. It may transfer to the individual, cooperative, or corporate firms under one of the privatisation modalities, such as total denationalisation, joint venture, liquidation, or solely individual owners. Organisational measures: organisational measures under privatisation encompass a variety of measures to limit state control. Among organisational measures due to privatisation include company restructuring designed by the government to limit its control and top-level major decisions left with sufficient operating autonomy *(Venkita Subramanian & Thill, 2019)*. Operational Measures: privatised public enterprises depend on the organisational structure; privatisation grants an organisational structure that gives sufficient autonomy to the operator and arranges various incentives.

According to *Selvam et al. (2005)*, in Ethiopia 362 state-owned enterprises were privatised between 1994/5 and 2003/4 with different privatisation modalities. The recent 2019/20 data show that 374 public enterprises were privatised with different modalities (Figure 2).

According to Proclamation No. 146/1998, Ethiopia's privatisation programme has as its main goals in this period:

- Create cash needed to finance government-led development efforts.
- Enhance the country's economic development by supporting the growth of the private sector.
- Alter the role and participation of the government in the economy to enable it to exert more effort on tasks that demand more attention.

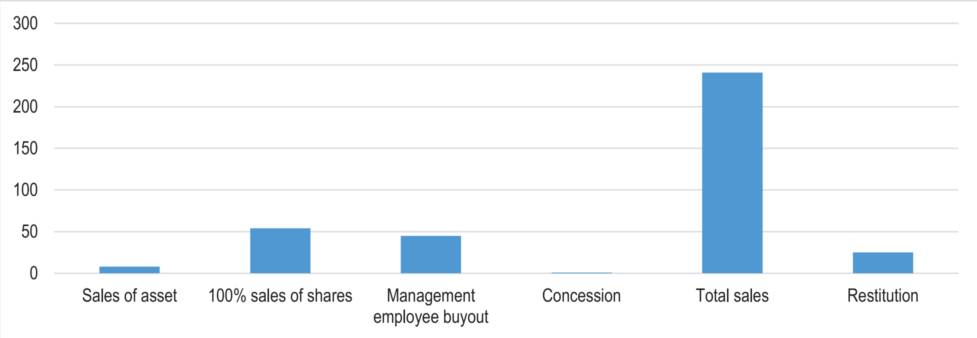

Figure 2: Number of privatised enterprises with privatisation modalities
Sources: Leykun, (2020b).

Mass privatisation without sales distribution, initial public offerings (IPOs), competitive tenders for shares and share auctions, negotiated sales of shares and assets, asset sales, liquidation, and management contracts are the privatisation methods that are most frequently employed globally. In addition to these modalities, the Ethiopian privatisation oversight agency is authorised to investigate and make decisions regarding the privatisation modalities and ownership in respect to the property privatised under Proclamation Nos. 110/95 and 193/2000, as modified. According to the suggestion of the government's overseeing authority, numerous state-owned firms were privatised under various privatisation procedures. In other instances, businesses were turned into share companies with the government owning every share. The government decides which government-owned businesses should be privatised based on advice from a supervising authority. Since the mechanisms were not clearly established, the privatisation process was complex. Although there had not been a thorough investigation into how to achieve this, multilateral and bilateral organisations pressured the government to liberalise the economy *(Leykun, 2020b)*. The privatisation process and modalities were not transparent, and the enterprises operated in a distorted market. After years of silence, the government of Ethiopia started the issue of privatisation as a wave in 2018/19. The decision of the government incorporates either partially or fully transferring the share of the company, including railways, industry parks, hotels, sugar manufacturing industries, and stakes of Ethiopian Airlines and Ethio-telecom. This is a source of intellectual debate and attracts attention from the whole society.

8.4. Law and policy irregularity

Legal and policy frameworks have important economic and political implications regarding the performance of both public and private sectors. The Law recognises that privatisation involves one of the privatisation modalities, which is appropriate stockholder consensus. However, the proposed privatisation modalities are not consistent over a period, and even vary with the type of enterprises.

Law and regulation are important components of effective competitive policies. Where competition allows, in the existing market structure, liberalisation will remove barriers to competition. However, the removal of such barriers will not necessarily lead to an increase in competition; monopolistic enterprises can create strategic price and non-price barriers. Therefore, appropriate regulatory bodies are vital. The design and enforcement of regulations in the private sector have proved difficult. Sometimes regulators do not have sufficient information to decide whether particular activities are anti-competitive or not.

Due to nationalist concerns, some countries had a strong aversion to increasing foreign ownership in different sectors of the economy. On economic grounds, foreign ownership is good for annual sales growth but not for employment growth *(Kedir, 2020)*. The purpose of privatisation in advanced countries tends to be more focused on efficiency and the reduction of production costs while it is a revenue-raising instrument in developing countries through the sales of assets *(Tsegaw, 2016)*. However, the strength of the regulatory institution limits the efficiency and equity implications of privatisation. The historical social and economic suffering brought on by privatisation in underdeveloped nations can be attributed to the absence of effective regulatory institutions *(Krammer, 2018)*.

National law acknowledges that privatisation's main objective was to transfer publicly owned businesses wholly or partially to the private sector. This procedure is outlined in Ethiopian legislation and has been tried out in preliminary privatisation initiatives. Because of this, the privatisation process lacks consistency and is unpredictable, regardless of the type and traits of the firms being privatised. Investment law now attempts to categorise investments into three areas: those reserved for the public sector, those reserved for domestic investors, and areas that are open to foreign investors, including joint ventures with state governments. This division is made according to the nature of the investments.

The paradox is that in this area in which private participation is to be permitted, the enforcement of the law is not consistent. For instance, according to Article 6(1) of investment Proclamation No. 769/2012, the government is the only party permitted to invest in air transport services employing aircraft with a seating capacity of more than fifty people. Conversely, the law allows for private sector participation in the telecom industry through joint investments with the government. But until some attempt was made after 2020 by safary.com, an international firm trying to invest in this area, all the doors in the telecom industry were strongly locked. The current law allows for the introduction of change. What has been agreed upon thus far is that the government's minority stake in those businesses would be transferred to private investors. Similar tactics can be taken to get around the investment restriction on foreign investors investing in certain industries, which prevents firms from being privatised. However, if the law is changed, foreign investors may be allowed to invest in the government-reserved sectors, as the Investment Board's authority is limited to such sectors.

State-owned businesses that have been privatised and are fully under state control have been given guidance for their policies. The statute currently in effect, however, in fact states that the government shall choose the list of businesses to be privatised based on the advice of the monitoring authority. The Federal Democratic Republic of Ethiopia (FDRE) Proclamation No. 916/2015, which defines the power and deities of the executive organ, states that the Ministry of Public Enterprises has the authority to propose to the government the dissolution, amalgamation, or sale of public enterprises it oversees. This raises another query about the authority of the Ministry over those public enterprises that it does not oversee. It only has limited authority over certain businesses, having the ability to oversee and assist their corporate management and financial performance.

8.5. The new wave of privatisation in Ethiopia: a new paradigm

After the new government entered office in Ethiopia in 2018, more industries, including global leaders in transportation, port management, and telecommunications, are now accessible to international investors. Between 2000 and 2018, many economic sectors were only able to attract a small fraction of domestic investment since the government continued to have a substantial impact on the economy through networks of state-owned firms in the areas of banking, insurance, communications, transportation, and energy. For instance, a joint venture agreement with the state has been permitted for the previous 20 years in power and electricity generation through hydropower facilities, but it is still unclear how the private sector will be involved in this critical area *(Sundara Rajan et al., 2005)*. To promote the growth of the private sector and capital markets, the government should think about how to make the most of the privatisation process.

As part of a larger attempt to modernise the economy and increase the role and importance of the private sector in the economy, the country has started a comprehensive policy and programme to privatise several of its important state-owned firms. To do this, the nation attracts a sizable volume of direct investment and ranks among the top ten African continent receivers (UNCTAD, 2018). The nation is one of the numerous African countries that embarked on privatisation over the years. GDP is boosted by the potential increase in revenue brought about by privatisation. Ethiopia's recent round of privatisation represents one of the most extensive incentives in terms of the scope and industries touched. The process and outcome of privatisation are profoundly influenced by the political economic outlook, interest group dynamics, and control of corruption. The outcome, in turn, may contribute to reshaping the political landscape in cavernous ways. Privatisation could be unpopular in some cases and local politicians may attempt to protect their constituencies from it.

By encouraging and maintaining strategic partnerships with businesses or even by actively promoting the growth of a dynamic private sector and the proliferation of entrepreneurial activities, the state can promote industrialisation and long-term structural transformation (World Bank, 2019Ethiopia's annual rate of economic growth, which averaged 10.3 percent over 2005/06-2015/16 (compared with the regional average of 5.4 percent). Following the victory of the Prosperity Party in the 2018–19 election, privatisation in Ethiopia was once more sparked by both pushing and pulling factors. Ideological tendencies to support the private sectors on the one hand and internal financial strain and the need to produce foreign money on the other, are both seen as motivating factors for the resurrection of privatisation. It is a result of the chosen economic policy and a solution to domestic economic problems. The World Bank and International Monetary Fund may have exerted significant external pressure on the country to liberalise the economy, particularly for foreign investment, and this pressure may be centered on domestic political and economic issues. The privatisation argument is ongoing, and countries alternate between privatising their businesses and keeping them publicly owned.

The other prominent issue is the sequencing of privatisation. Sequencing relates to the existence and quality of the economic and political institutions on which privatisation depends. It is logical and the prerequisite that a country should first build market institutions that would reinforce the benefit of privatisation and reimburse the challenges well. Privatisation has been used in Ethiopia as a mechanism for implementing economic reform, which began as a change from a mandate to a market economy. The precise actions taken were spurred on by pressure from outside sources in addition to the necessity for restructuring brought on by the shift in policy and the current situation on the ground. Ethiopia was not an exception, and the reform programme it initiated included a variety of macroeconomic and structural measures that were implemented in three phases, the last of which included, among other things, a notable shift in the line between the involvement of the public and private sectors in the economy.

9. Conclusions

Since 1990, Ethiopia has undergone significant economic reforms, including the privatisation of government-owned manufacturing enterprises. This shift from state-owned to privately-owned manufacturing enterprises was part of the country's broader economic liberalisation policies aimed at attracting foreign investment, promoting competition, and fostering economic growth. The process of privatisation in Ethiopia began in the early 1990s when the government initiated a series of structural adjustment programmes in collaboration with international financial institutions such as the World Bank and the International Monetary Fund. These programmes aimed to address the country's economic challenges, including fiscal imbalances, low productivity, and inefficient state-owned enterprises. As part of these reforms, the Ethiopian government started divesting its ownership in various manufacturing industries. This involved selling shares or assets of state-owned enterprises to private investors, both domestic and foreign. The sectors targeted for privatisation included textiles, agro-processing, cement, metal and engineering, and other manufacturing industries.

The privatisation of manufacturing enterprises in Ethiopia has led to several positive outcomes. Firstly, it has attracted foreign direct investment (FDI) into the country, bringing in innovative technologies, capital, and expertise. This has helped modernise and upgrade the manufacturing sector, making it more competitive globally. Secondly, privatisation has stimulated competition within the industry, leading to increased efficiency and productivity. Private owners have a stronger incentive to improve performance and profitability, which has resulted in better quality products and services. Furthermore, the transfer of ownership has reduced the burden on public finances. State-owned enterprises were often a drain on public resources due to inefficiencies and financial mismanagement. Privatisation has allowed the government to focus on its core functions and allocate resources more effectively. However, the process of privatisation in Ethiopia has not been without challenges. The lack of a well-developed capital market and limited domestic investor base has made it heavily reliant on foreign investors. This has raised concerns about the potential loss of national assets and control over strategic industries.

Additionally, there have been concerns about job losses and social implications resulting from privatisation. The transition from a state-controlled economy to a market-oriented one has led to layoffs and restructuring in some sectors. The government has recognised these challenges and implemented measures to mitigate their impact, such as providing support for affected workers and promoting labour-intensive industries. Privatisation undertaken through exhaustive legal and policy adjustments was made at various times. Institutional development was vital for the successful privatisation process, and the government's commitments were tested. Institutional development is not a one-time incidence, and it requires both private and public integration and mutual understanding. The other paradox in the Ethiopian privatisation process is the privatisation modalities. Lucidity and well-prepared privatisation modalities were important in adopting one of the approaches in consideration of the nature and characteristics of the enterprises. Irrespective of the limitation on modalities and the lack of clarity on privatisation policies in Ethiopia, foreign direct investment and the participation of domestic firms in the international market show positive progress.

10. Policy implications

The privatisation process in Ethiopia at any cost needs synchronisation with the implementing agency and advisory council to continue a long-term public-private partnership. The government needs to take care of privatising the most sensitive enterprises, which make significant social contributions to the society. Bearing in mind that government privatisation involves large public enterprises, the mode of privatisation must be carefully selected, having the relevant factors in mind such as, public interest, the objective of the endeavour, and the absence of capital markets. The government should adopt clear and measurable criteria to select SOEs for privatisation. There are numerous performance indicators such as contribution to employment growth and productivity, but financial viability is often considered the most relevant selection criterion. In conclusion, since 1990, Ethiopia has undergone a significant transformation in its manufacturing sector, transitioning from government-owned enterprises to privately-owned ones through a process of privatisation. This shift has attracted foreign investment, stimulated competition, and improved efficiency in the manufacturing industry. However, challenges remain, and the government continues to address them to ensure a balanced and inclusive transition.

11. Limitations of the study

The findings of this systematic review are connected with limitations. First, the review only focuses on limited research which comprises about 50 publications. As a result, research conclusions may be skewed, which restricts the applicability of the findings. These study constraints do, however, provide future opportunities for the investigation and study of the topic in a context which is vast and related to different countries. Secondly, the scope of this research was restricted to Ethiopia, which has undergone privatisation since 1991. Thus, the conclusion and recommendation of the study will be applicable only to firms privatised since 1991 in the study area.

Conflict of interest

The authors declare that there is no conflict of interest.

Bibliography

1. Abdeldayem, M.M., & Aldulaimi, S.H. (2020). Lessons drawn from privatisation in developing countries: Evidence from an emerging economy. *International Journal of Scientific and Technology Research*, *9*(3), 6159–6171.
2. Abebe, Y.G. (2018). *Yeabneh gedamu abebe january, 2018 addis ababa ethiopia*.
3. Adane, Y.G., Engida, T.G., Asfaw, Y.A., Azadi, H., & Passel, S. Van. (2018). Determinants of internal governance quality: Evidence from corporations in Ethiopia. *Cogent Economics and Finance*, *6*(1), 1–17. https://doi.org/10.1080/23322039.2018.1537051.

4. Addis, S., Dvivedi, A., & Beshah, B. (2019). Quality management as a tool for job satisfaction improvement in low-level technology organizations: the case of Ethiopia. *Production Planning and Control*, *30*(8), 665–681. https://doi.org/10.1080/09537287.2019.1574510.
5. Adeyemo, D.O., & Salami, A.O. (2008). A Review of Privatisation and Public Enterprises Reform in Nigeria. *Contemporary Management Research*, *4*(4), 401–418. https://doi.org/10.7903/cmr.607.
6. Barrios Sánchez, J.M., Baeza Serrato, R., & Bianchetti, M. (2022). Design and Development of a Mathematical Model for an Industrial Process, in a System Dynamics Environment. *Applied Sciences (Switzerland)*, *12*(19). https://doi.org/10.3390/app12199855.
7. Belke, A., Baumgärtner, F., Schneider, F., & Setzer, R. (2007). *The Different Extent of Privatisation Proceeds in OECD Countries: A Preliminary Explanation Using a Public-Choice Approach Author (s): Ansgar Belke, Frank Baumgärtner, Friedrich Schneider and Ralph Setzer Source : FinanzArchiv / Public Finance Analys*, *63*(2), 211–243. https://doi.org/10.1628/001522107X220080.
8. Chare, A.D. (2020). *Factors Affecting Private Investment in Ethiopian Industry Sector: The Case of Sugar Factories*, *8*(1), 11–22. https://doi.org/10.5923/j.m2economics.20200801.03.
9. Chole, E. (2018). Privatisation and Deregulation in Ethiopian Industry. *Journal of Ethiopian Studies, 26*(1)*, 33-58.*
10. Desta, A. (2019). Transforming Ethiopia' S Developmental State. *Review of Socio-Economic Perspectives*, *4*(1), 39–55. https://doi.org/10.19275/RSEP062.
11. Emagne, Y. (2017). Exploring the Relationship between Trade Liberalization and Ethiopian Economic Growth. *Ethiopian Journal of Economics*, *26*(2), 109–141. https://doi.org/10.4314/EJE.V26I2.
12. Estrin, S., Liang, Z., Shapiro, D., & Carney, M. (2019). *State Capitalism, Economic Systems and the Performance of State Owned Firms*, *69 (*s1*)*, 175–193. https://doi.org/10.1556/032.2019.69.S1.11.
13. Fink, S. (2011). *A Contagious Concept: Explaining the Spread of Privatisation in the Telecommunications Sector 24*(1), 111–139.
14. Gebeyehu, W. (2011). *Causal Links among Saving, Investment and Growth and Determinants of Saving in Sub-Saharan Africa: Evidence, from Ethiopia. Ethiopian Journal of Economics, 19(*2), 1-34.
15. Göte, H. (2004). *Ethiopia: Economic Performance and the Role of the Private Sector,* SIDA.
16. Haleem, F., Jehangir, M., & Baig, A. (2017). Operations Strategy Practices of SMEs. *Global Economics Review*, *II*(I), 12–23. https://doi.org/10.31703/ger.2017(ii-i).02.
17. Kayizzi-Mugerwa, S. (2002). *Privatisation in sub-Saharan Africa On Factors Affecting Implementation*. Discussion Paper No. 2002/12.
18. Kedir, A.M., & Bedasso, B. (2020). *Privatisation for sustainable growth in Ethiopia A review review*. International Growth Centre.
19. Krammer, S.M.S. (2018). A double-edged sword? The antipodal effects of institutional distance on partner selection in cross-border alliances. *Journal of World Business*, *53*(6), 930–943. https://doi.org/10.1016/j.jwb.2018.08.001.

20. Leykun, F. (2020a). Privatisation Modalities and Business Valuation: An Ethiopian Focus. *Journal of Investment and Management*, *9*(1), 12–26. https://doi.org/10.11648/j.jim.20200901.13.
21. Leykun, F. (2020b). Theoretical Arguments and Debates on Public Enterprises Privatisation: Ethiopian Focus. *Journal of Economics and Sustainable Development*, *11*(11), 69–84. https://doi.org/10.7176/jesd/11-11-06.
22. Lloyd, J., & Teshome, B. (2018). *Foreign Exchange Allocation and Access for Businesses in Ethiopia*. *October*, 1–39. https://www.gov.uk/dfid-research-outputs/%0Ahttps://assets.publishing.service.gov.uk/media/5c90aa9240f0b633fc95f6d4/BERF_Ethiopia_Foreign_Exchange_for_Businesses_.pdf.
23. Megginson, W.L., Nash, R.C., Netter, J.M., Adam, L., Megginson, W.L., Nash, R.C., Netter, J. M., & Schwartz, A.L. (2000). *The Long-Run Return to Investors in Share Issue Privatisation*. *29*(1), 67–77.
24. Megginson, W.L., & Netter, J.M. (2001). From state to market: A survey of empirical studies on privatisation. *Journal of Economic Literature*, *39*(2), 321–389. https://doi.org/10.1257/jel.39.2.321.
25. Mengistu, B., & Vogel, E. (2009). Public Perceptions of Privatisation in Ethiopia: A Case for Public Good or Private Gain? *International Journal of Public Administration*, *32*(8), 681–703. https://doi.org/10.1080/01900690902999884.
26. Mesfin, D. & Abera A.K. (2016). Public-Private-Partnership in Ethiopia: The BOT Modality in Utility Billing. *European Journal of Business and Management*, *8*(31), 54–60.
27. McCulloch, L. (2001). TRADE LIBERALIZATION AND POVERTY: Centre for Economic Policy Research. *Centre for Economic Policy Research 90–98 Goswell Road London EC1V 7RR UK*.
28. Nellis, J. (2012). The International Experience with Privatisation: its Rapid Rise, Partial Fall and Uncertain Future. *SPP Research Papers*, 12–3.
29. Nolan, P., & Zhang, J. (2003). Globalization challenge for large firms from developing countries: China's oil and aerospace industries. *European Management Journal*, *21*(3), 285–299. https://doi.org/10.1016/S0263-2373(03)00047-1.
30. Obinger, H., Schmitt, C., & Starke, P. (2013). Policy Diffusion and Policy Transfer in Comparative Welfare State Research. *Social Policy & Administration,* 47(1), 111–129. https://doi.org/10.1111/spol.12003.
31. Och, V. I. D. B.-, Bibliotekshögskolan, I., Hansson, J., Hansson, J., & Heedman, J. (2004). *Privatisering av folkbibliotek – skildrat i politiska dokument under 1990-talet*.
32. Schuster, P.B. (2013). One for all and all for one : privatisation and Universal Service provision in the postal sector One for all and all for one : privatisation and Universal Service provision in the postal sector. *Applied Economics*, 45(26), 3667–3682. https://doi.org/10.1080/00036846.2012.727982.
33. Selvam, J., Meenakshisundararajan, A., Iyappan, T. (2005). Privatisation and Capital Accumulation: Empirical Evidences from Ethiopia. *African Journal of Economic Policy 12*(I), 61-88.
34. Sheshinski, E., & López-calva, L.F. (2003). Privatisation and Its Benefits: Theory and Evidence. CESifo Economic Studies*, 49*(3), 429–459.
35. Sundara Rajan, A.M., Iyappan, T., & Selvam, J. (2005). Impact of economic reforms on economics issues: A study of Ethiopia. *African Development Review*, *17*(1), 138–150. https://doi.org/10.1111/j.1017-6772.2005.00109.x.

36. Tenaw, A. (2011). *The Performance of Privatized Public Enterprises in Ethiopia: the Case of Hotel Enterprises*. *Addis Ababa University School of Graduate Studies,*
37. The World Bank. (2019). *The Inescapable Manufacturing- Services Nexus: Exploring the potential*. 19–38. http://documents1.worldbank.org/curated/en/811791526447120021/pdf/126255-WP-PUBLIC-DIGITAL-Ethiopia-Economic-Update-The-Inescapable-Manufacturing-Services-Nexus.pdf.
38. Thew, R., Calarco, T., Roorda, P. D., Ca, O., Jones, K. P., Ca, K., Friesen, P., Ca, O., Patent, U. S., Ci, U. S., ITU, Systems, D., ITU-T, 129/Menkes/SK/II/2008, M. K. R. I. N. :, ילזמ, ר., Roberts, A., Mujtaba, A., Mujtaba, A., Mujtaba, A., … Seifert, F. (2015). No 主観的健康感を中心とした在宅高齢者における 健康関連指標に関する共分散構造分析. *Metrologia*, *53*(5), 1–116.
39. Tsegaw, E. (2016). The Legal Status of State-Owned Share Companies in Ethiopia. *Beijing Law Review*, *07*(01), 12–22. https://doi.org/10.4236/blr.2016.71002.
40. UNCTAD. (2018). *A Review of Competition Policy in Ethiopia*. United Nation.
41. Venkita Subramanian, K., & Thill, J.-C. (2019). Effect of privatisation and inland infrastructural development on India's container port selection dynamics. *Asian Journal of Shipping and Logistics*, *35*(4), 220–229. https://doi.org/10.1016/j.ajsl.2019.12.009.
42. W/yohannes, A. (2015). *2015 Addis Ababa*. *October*.
43. Wacziarg, R., & Welch, K.H. (2008). Trade liberalization and growth: New evidence. *World Bank Economic Review*, *22*(2), 187–231. https://doi.org/10.1093/wber/lhn007.
44. Wodajo, T., & Senbet, D. (2017). Does Privatisation Improve Productivity? Empirical Evidence from Ethiopia. *International Journal of African Development, 4*(2), 5–26.
45. Woldesenbet, W.G. (2020). The tragedies of a state dominated political economy: shared vices among the imperial, Derg, and EPRDF regimes of Ethiopia. *Development Studies Research*, *7*(1), 72–82. https://doi.org/10.1080/21665095.2020.1785903.
46. Yongo-Bure, B. (2020). The Ethiopian economy. In: *Regional Development Poles and the Transformation of African Economies*, *November*, Rotledge, 88–117. https://doi.org/10.4324/9781003024804-5.