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**The City of Addis Ababa: Policy Options
for the Governance and Management of a City with Multiple Identity**

Meheret Ayenew (Ph.D)
Faculty of Business and Economics
Addis Ababa University

FORUM FOR SOCIAL STUDIES
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Meheret Ayenew is a member of the Department of Management and Public Administration, Faculty of Business and Economics, Addis Ababa University. He is the coordinator of the graduate program in *Regional and Local Development Studies*. He is also a member of the Forum for Social Studies. His interests include development management, governance and decentralization.

Address.

Forum for Social Studies
P.O. Box 3089
Addis Ababa
Tel.: (251-1) 12 95 79; 55 61 21

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LIST OF ACRONYMS

AACC	Addis Ababa City Charter
AACG	Addis Ababa City Government
AAMPPO	Addis Ababa Master Plan Project Office
AARH	Agency for the Administration of Rented Houses
AAWSSA	Addis Ababa Water Supply and Sewerage Authority
ANRS	Amhara National Regional State
BUWD	Bureau of Works and Urban Development
CSA	Central Statistical Authority
CSB	Civil Service Bureau
EEPCO	Ethiopian Electric Power Corporation
EPRDF	Ethiopian Peoples Revolutionary Democratic Forces
ETC	Ethiopian Telecommunications Corporation
FDRE	Federal Democratic Republic of Ethiopia
GTZ	Deutsche Gesellschaft fur Technische Zusammenarbeit
NGOs	Non-Governmental Organizations
SNNPRS	Southern Nations, Nationalities and Peoples Regional State
TGE	Transitional Government of Ethiopia
UDSS	Urban Development Support Services
UNCHS	United Nations Center for Human Settlements
UNICEF	United Nations Children's Fund
WUDB	Works and Urban Development Bureau

The City of Addis Ababa: Policy Options for the Governance and Management of a City with Multiple Identity

Meheret Ayenew

Summary

This paper argues that the city of Addis Ababa should adopt the council-manager model of government. Ethiopia 's foremost city faces complex socio-economic problems that are related to its governance and leadership structure. Addis Ababa should be led by an elected council that will make laws and policies, and a professionally competent management that will be responsible for the day-to-day running of the municipality. Both the elected councilors and the non-elected municipal bureaucracy should be aware of the core functions and responsibilities of effective urban governance. It is important that the management of the city government should explore alternative means of service delivery, including contracting, privatization and joint management of municipal services. Apart from cost considerations, these alternative means are preferred because they have been found to be more efficient, flexible and less bureaucratic than large municipal departments.

In this paper, the challenges and problems of Addis Ababa have been discussed and policy options forwarded to improve its governance and management. It is argued that one of the problems of Addis Ababa's current governance and management structure is that it is not participatory and transparent. Urban management in Ethiopia has a long-standing tradition of upward accountability to the government rather than to the people. What is needed is a democratically elected municipal council that will be accountable to the electorate and a career public service that will be judged by its performance in managing the city. Public participation and the involvement of institutions of civil society in urban management are aspects of democratic governance. This practice can enhance the responsiveness of the municipal administration to the needs and problems of the community.

I. Introduction

The governance and management of cities in the developing world will continue to be issues of concern for development policy makers well into the next millennium. According to a UN study, over half of the developing world or about two and half billion people will be urbanized by the year 2020. It is unlikely that cities with such a rapid population growth will satisfy demands for increased services given the economic difficulties of many developing countries, including their backbreaking debt. It is fairly easy to predict some alarming consequences of this irreversible process of unprecedented urbanization. Most cities will be confronted with enormous challenges, including mass poverty, unemployment and environmental degeneration. In addition, most cities will be left with inadequate financial and political power to provide social and economic services for their residents, such as education, health, housing and urban transport. Such a scenario calls for innovative governance and management approaches to solve the complex problems confronting urban centers in developing countries (UNCHS, 1987; World Bank, 1995; Davey, et.al., 1997).

Addis Ababa is a fast growing urban center that is beset with problems afflicting most cities in the developing world, including extensive urban poverty, joblessness, inadequate housing, severe overcrowding and congestion and undeveloped physical infrastructure. Moreover, mounting social ills, such as prostitution, beggary, homelessness and youth delinquency are grim realities of life in the city. In recent years, urban problems in Addis Ababa have been compounded by poor urban management that has not been sufficiently responsive to its constituency. The crumbling infrastructure and the precipitous decline in urban services are manifestations of the governance and management crisis plaguing the city. The city is in need of competent management that can address the problems and concerns of its residents.

The problems of Addis Ababa are two fold. First, there is little awareness on the part of the municipality's leadership of the core functions and responsibilities that a modern city government should undertake. In other words, the city administration does not seem to have a mission or a vision. Second, the current governance and management structure of the city is highly politicized. The city's multiple identity as the federal capital, the capital city of the Regional State of Oromia and its status as a self-governing local authority are contributing factors to the politicization of its governance. More important, most of the people in positions of authority within the administration of the city got their positions not by their merit or through professional competence but because of their political allegiance. As such, there is little room for professional urban management and leadership. This phenomenon has produced two inter-related and mutually reinforcing consequences, viz, a fast deteriorating Addis Ababa and an urban government with little accountability to the residents.

This is a discussion paper on the governance and management of the city of Addis Ababa. Its objective is to suggest policy options to improve the governance and management of the city, and enhance its institutional capacity to solve its major problems. The paper has seven parts. Part I is an introduction. Part II provides general background information about the city of Addis Ababa. Part III surveys the main socio-economic and infrastructure problems of the city. Part IV presents a brief conceptual review of the tasks of urban governance and alternative organization models for city government. In part V. the state of urban governance and management in Addis Ababa will be assessed within the framework of the theoretical discussion provided in part IV. Suggestions and recommendations to improve the overall organization and management of the city are discussed in part VI. Part VII contains the conclusion and summary.

II. Background Information About Addis Ababa

The city of Addis Ababa is over a hundred years old. It was established in the late 19th century by Emperor Menelik II as the permanent capital of the then emerging modern Ethiopian state. Over the years, the city has grown into an important urban center following the process of modernization and economic development which Emperor Haile Selassie I zealously pursued in the aftermath of World War II. The city covers a total area of 540 square kilometers. This is roughly the size of the city state of Singapore with about 2.5 million inhabitants or half the size of Hong Kong with a little more than 5 million citizens. Out of Ethiopia's estimated urban population of nearly 9 million, about 27 per cent of the total lives in Addis Ababa, and this qualifies the city as the country's foremost urban center (CSA, 1998).

Prior to 1974, Addis Ababa was one of the few chartered cities of the Empire of Ethiopia administered by a lord mayor (*kantiba*) appointed by the Emperor. It had considerable local autonomy because the lord mayor was largely free from the political control of the then powerful Minister of interior. In addition, it was the only local government authority empowered to finance projects by issuing its own bonds and borrowing from internal and external sources on its own right. The municipality had a 30-member law-making council. This council consisted of 8 government officials appointed by their respective ministries and 22 elected members from the residents of the city (2 councilors from each of the 10 weredas). Only residents who owned immovable property could elect and be elected for council membership. This stood out as a manifestation of the undemocratic character of the city's governance. Nevertheless, it needs to be pointed out that Addis Ababa qualified as a properly governed and well-managed city judging by the broad powers and legitimate functions given to it by imperial charter (AACC, 1954; Koehn, 1974).

In 1999, Addis Ababa had a population of nearly 2.5 million, out of which about 87 per cent were Christians, 13 per cent were Moslems and the rest followed different religions. As the data in Table 1 indicate, the city's population has been growing at annual rate of 3 per cent between 1994-1999. Migration from other parts of the country and people displaced by ethnic conflict, famine and poverty have added to the increase in population.

Table 1:
Growth of Population of Addis Ababa 1994-2000

Year	Male	Female	Total
1994	1,023,452	1,089,285	2,112,737
1995	1,045,000	1,112,000	2,157,000
1996	1,074,000	1,146,000	2,220,000
1997	1,105,000	1,181,000	2,286,000
1998	1,136,000	1,218,000	2,354,000
1999	1,132,000	1,292,000	2,424,000
2000	1,202,000	1,293,000	2,495,000

Source: CSA, Statistical Abstract, 1998.

In terms of ethnic composition, the breakdown of Addis Ababa's total population is as follows: about 48.3 per cent are Amharas, 19 per cent are Oromos, 17.5 per cent are Guraghes, 7.6 per cent are Tigreans and the remaining belong to other ethnic groups. Based on data obtained from the municipality, the city's economically active population is estimated to be about 600,000 representing nearly 24 per cent of the total. This figure does not favorably compare with the 37 per cent dependency ratio for the city's population as a whole (CSA, 1999).

The coming to power of the Derg in 1974 significantly affected Addis Ababa in a number of ways. It lost a great measure of municipal autonomy and its administration was very much influenced by the politics of the day. The appointment of the mayor and other officials took a significant political dimension because membership of the ruling Workers Party of Ethiopia became an essential condition for employment in the municipality. Most of the people who worked in the city's 25 Higher and lower kebeles were either Party members or trusted individuals of the state. As a result, upward accountability dominated the *modus operandi* of municipal government, and the city was run by amateurish politicians rather than a competent cadre of professional managers. This legacy has persisted to this day and is one of the main factors accounting for the deteriorating quality of urban governance in Addis Ababa.

Apart from the politicization of its bureaucracy, Addis Ababa's revenue base suffered a severe setback following the nationalization of urban land and rental houses that took place in 1975. This measure deprived the city of the lucrative property tax. An indication of the latter's significance was the fact that between 1969-1972 more than a third of Addis Ababa's revenue came from building and land tax. Over the years, Addis Ababa has continued to suffer from the consequences of the Derg's urban land policy which was an ideologically motivated measure. It dealt a heavy blow to the municipality's financial self-sufficiency and thus crippled its capacity to expand services and infrastructure in the city (Koehn, 1974).

Municipalities are not recognized as distinct and separate institutions of local governance in the on-going decentralization process in Ethiopia. An indication of this observation is the fact that municipal administration is not mentioned either in the constitutions of regional governments or the constitution of the Federal Government of Ethiopia. At present, the majority of municipalities and urban centers in the country are administered by zonal and wereda councils, which are also made responsible for administering rural areas. Most often, these councils are dominated by people with rural background and have limited expertise in urban management and policy making. Despite the fact that urban areas should be administered differently from rural ones, the leaderships of these councils do not make a distinction between rural areas and municipalities. As such, urban management receives low priority and limited resources to solve the socio-economic problems of cities and municipalities in Ethiopia (Meheret, 1998).

Recently, there have been some attempts in the Amhara National Regional State (ANRS) to set up autonomous urban administrations. For example, Bahir Dar has been recognized as the regional capital and a special zone by the regional government. Such moves are indicative of the increasing awareness of the distinct identity and problems of urban areas. If most regions continue to use same zonal and wereda councils to administer both urban and rural areas, there will be very little attempt at both the federal and regional levels to come to grips with the serious challenges and problems of urban management in Ethiopia (UDSS-GTZ, 1999).

Since 1997, Addis Ababa has been designated a chartered city government with considerable degree of self-rule. It has also been declared the capital Of the Federal Government of Ethiopia. It has been organized as a multi-purpose local authority embracing 24 functions with their own sectoral bureaus and large numbers of employees. The diversity of functions has made the city's bureaucracy too cumbersome and unwieldy for efficient operations. According to data obtained from the Civil Service Bureau, the city government had more than 21,600 permanent employees in 1998 out of which about 48 per cent were female employees. Table 2 presents the total municipal labor force of Addis Ababa by levels of education

and training.

The Addis Ababa City Government Charter Proclamation No. 3711997 provides for an elected council to administer the city for a term of five years. In 1998, the council had 96 members. The main function of the council is to make municipal laws and approve the annual budget. There is an executive committee of 15 members drawn from the full council. This body is responsible for the day-to-day management of the city. The head of the city government is the chairman of the general council and its executive committee. The executive committee is further sub-divided into three standing subcommittees, namely economic, social affairs and administration. These sub-committees have five members each and all of them report to the executive committee. It is stipulated in the law that the governor of the city and the council will be accountable to the residents and the Prime Minister of the Federal Government.

Table 2
Number of Addis Ababa City Government Employees by Level of Education--1997/1998:

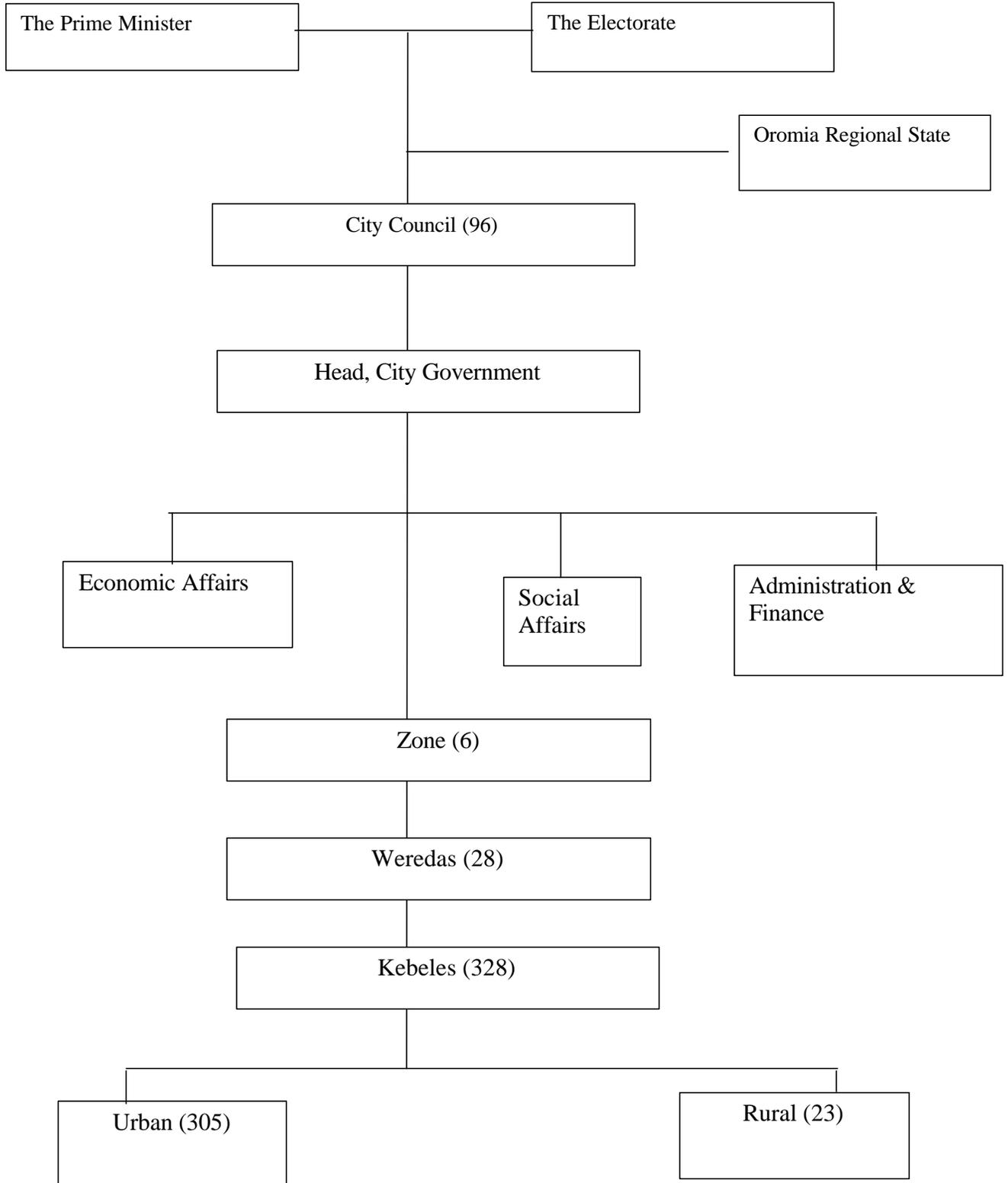
Level of Education	Number of Employees		Total
	Male	Female	
0-8 Grade	2339	2550	4889
9-12 Grade	2330	2882	5212
Grade 12 + Diploma	4008	3998	7996
B.A. / BSc Degree	1954	458	2412
Masters Degree	201	56	257
Post-Masters and Others	507	398	905
Total	11339	10332	21671

Source: Region 14 Civil Service Bureau, Addis Ababa, 1998.

Addis Ababa's governance structure fuses legislative and executive responsibilities in the same body because the elected council formulates policies and laws and its executive organ implements the same. Three tiers of administration are recognized in the Charter, viz. the central city administration, Weredas and Kebeles. Based on this, the city is divided into 6 zones, 28 weredas and 328 kebeles, out of which 23 are classified as rural localities. There is no mention of zones in the charter and their roles and functions remain unclear although in practice the municipal administration often uses them as coordinating administrative structures over a number of weredas. The zonal administration is manned by officers appointed by the central administration of the municipality. Figure 1 depicts the organizational structure of the city government of Addis Ababa (Proclamation No. 87/1997).

FIGURE 1

ORGANIZATIONAL STRUCTURE OF THE CITY GOVERNMENT



Following the coming to power of the EPRDF in 1991, the city of Addis Ababa assumed a multiple identity. First, it was declared the capital city of the Federal Government of Ethiopia in 1995. Second, it serves as the seat of government of the Oromia Regional State². Third, it is also an autonomous local government authority in the Ethiopian federal system of government with an elected council and city governor answerable to the residents. From a management perspective, Addis Ababa's multiple status has made it difficult to clearly determine the formal lines of responsibility. More importantly, the organizational overlap has compelled the city to assume conflicting roles. Such a situation has had serious implications for the effective governance and management of Ethiopia's major metropolis. Among other things, the municipality's management continues to suffer from the problem of divided loyalty and thus has been unable to devote its full attention to reversing the general deterioration in the urban quality of life.

It will be argued in this paper that Addis Ababa's multiple identity is a critical factor affecting the city's governance and management. The contention is that the management of the city has not been responsive to the needs and problems of the residents mainly because it has to balance between its accountability to the federal government, the Oromia regional government and the electorate. In this power equation, the electorate is the least served especially when nearly all the municipal councilors are members of the ruling Party and are likely to owe more allegiance to the party than to the public who elected them. Clearly, this kind of political arrangement compromises the disposition of the city's leadership in favor of upward accountability and relegates the needs and concerns of the residents to a secondary status. The following discussion is a concrete manifestation of this reality.

III. Socio-Economic Problems of Addis Ababa

The city of Addis Ababa suffers from a chronic shortage of essential socio-economic services, an awfully inadequate physical infrastructure and an unhealthy environmental condition. An inept administration that has failed to maintain, upgrade and expand the city's infrastructure and services in line with the growing population and economic activity has exacerbated its woes. There is no dearth of statistics to indicate the magnitude of urban problems in Addis Ababa. Some discussion about the city's bleak socio-economic condition is in order before forwarding helpful suggestions to resolve the insurmountable problems the residents are experiencing. Most of the following discussion is based on data obtained from two municipal documents.

Inadequate Water Supply

One of the perpetual problems of the city of Addis Ababa is that it has not been able to supply enough drinking water to the residents. The Addis Ababa Water Supply and Sewerage Authority (AAWSSA) can supply only 60 per cent of the current demand for water in the city, and this has caused severe water shortages in many parts of the city, especially during the dry season. It is estimated that between 30-40 percent of the potential water supply does not reach the consumer and is wasted due to leaking pipes and aging distribution infrastructure. As a result, rations and interruptions in the water distribution system are frequently experienced causing agonies to many Addis Ababans.

Inadequate Refuse Collection and Solid Waste Management System

The state of refuse collection and solid waste management in the city is most deplorable. An estimated 35-40 per cent of the solid waste generated is left uncollected and dumped on any available waste ground. Hence, it is not uncommon to see mountains of garbage and solid waste blocking sidewalks and streets in many parts of the city. Apart from being eyesores to the residents and visitors of the city, the **health hazards** of such unsanitary conditions can **indeed be incalculable (AAMPPO, 1994)**.

Addis Ababa has an inadequate drainage and sewerage treatment system. This is one indicator of the extremely low level of development of physical infrastructure of the city. By the municipality's admission, the city is served by a sewerage network that is 110 Kms long and most of this is confined to the central parts of the city. This represents only 3.7 per cent of the total requirement for the city as a whole. Based on this figure, it means that a minuscule 5 per cent of Addis Ababans is served by some kind of sewerage and drainage system.

Primitive Sanitary Conditions

A major problem that contributes to the extremely poor sanitary conditions in the city of Addis Ababa is the shortage of toilets. According to the municipality administration, 16 per cent of the population have private toilets, 54 per cent use shared latrines and about 30 per cent (or some 900 residents) do not have any toilets and are forced to use whatever available open space in the city. The lack of enough toilets is a major factor contributing to the deteriorating sanitary condition in the city, particularly in overcrowded areas inhabited by the poor segment of the urban population. Given Addis Ababa's sizable homeless population, including street children and the increasing number of poor people and beggars in the city, the question of providing sufficient public toilets facilities is of crucial significance.

Sanitary conditions and services are inadequate or non-existent in many areas of the city. For example, the severe shortage of public toilet facilities in the entire Merkato area with a population of more than a million people is a case in point. Extremely hazardous sanitary conditions with raw sewerage coming out of residential houses and factories are commonly encountered problems in the city. Collected excreta and garbage are often transported in unhygienic conditions and dumped on the periphery of the city or in the nearest refuse site without any treatment. Households with little technical orientation often install pit latrines everywhere and the usual consequence is pollution of the environment and surface and ground water.

A major health risk looms over Addis Ababa because the municipality has virtually ignored its responsibility for public health and sanitation. It has failed to control the movements of stray dogs, pack animals and cattle roaming the city. For example, it is not uncommon to see a pack of stray dogs wandering in many places in the city or stray cattle feeding from collected piles of garbage. In addition to the potential health risk to the community, the unregulated movement of the city's animal population causes a great deal of inconvenience and nuisance to the residents on a daily basis. Donkeys carrying loads of grain or firewood jamming traffic and street and homeless children living and sleeping with stray dogs are common sites in Addis Ababa reminiscent of pre-industrial cities in Europe.

The Transport and Road Nightmare

Driving on the streets of Addis Ababa is a nightmarish experience because of the traffic congestion and hazardous driving conditions on account of the extremely poor quality of roads. One report puts the length of Addis Ababa's asphalt road network at 400 kms. It is estimated that a city of its size requires 3000 kms of asphalted road. Because of poor planning, city streets are narrow, poorly maintained and shared by cars, pedestrians, donkeys, sheep and goats. For lack of regular maintenance, most streets are fast changing to gravel roads. In addition, the city does not have sufficient parking space and drivers wantonly park their cars on sidewalks causing traffic jams and a great deal of inconvenience to pedestrians. There is obviously an urgent need for improving the road system because of the increasing volume of traffic. Nevertheless, the city has been unable to properly maintain the existing infrastructure let alone build new roads to meet the demand.

Shortage of Residential Housing and Overcrowding

Addis Ababa has an acute shortage of residential housing which has resulted in severe congestion and overcrowding. According to data obtained from the municipality, the total housing stock in Addis Ababa was 350,000 in 1996. Out of this, 112,000 were occupied by businesses and shops; and 238,000 were residential units. The number of households was estimated to be 460,000 during the same year. This would mean that 222,000 households or nearly 1,000,000 residents lack decent housing. The huge gap between the supply and demand for housing has led to illegal housing construction and squatter settlements in many places throughout the city's jurisdiction (AACG, 1997).

There is a huge gap between the housing need and the supply in Addis Ababa. According to one study, the government has to build 10,000 housing units every year for the next 10 years at a cost of 750 million Birr in order to meet only the backlog demand for housing in Addis Ababa. This projection does not take into account the growing demand for housing due to population growth. The housing shortage is exacerbated by Ethiopia's low investment in the housing industry. It is reported that the country's investment in urban and rural housing construction is below 3 per cent of GDP. Compared to the 6 per cent recommended by the UN for developing countries, Ethiopia's investment is not likely to make much difference in easing the problem (Gutama, 1994; Region 14 WUDB, 1996).

Only a third of Addis Ababa's housing stock is owner-occupied, the rest being owned by the government. More than three-fourths of the existing housing units are either dilapidated or old, and need major repairs. Most houses are of sub-standard quality built from traditional building materials, mainly from mud and wood. The majority of the poor neighborhoods are densely populated (400-700 persons/ha.), in many of them there are no paved roads, sewerage and drainage systems; and modern waste disposal and collection arrangements are also unavailable (TGE-CSA, 1994).

Other Socio-Economic Problems

There are additional grim statistics to depict the severity of Addis Ababa's social and economic problems. For example, unemployment in the city is running at an average of 30-35 percent. 35.5 per cent of Addis Ababans do not earn sufficient income to cover their food requirements and thus qualify as absolutely poor. Addis Ababa has a street population of 40,000 children or nearly 40 per cent of the nation's total homeless children. According to some estimates, this population increases at the rate of 5 per cent per year (UNICEF, 1996; Region 14 Administration, 1998).

It will require immense resources to solve the socio-economic problems discussed above and to improve the quality of life of the residents of Addis Ababa. The full force and commitment of the federal government is required if the city is to overcome the pressing problems most residents face on a daily basis. Much of Addis Ababa's grim socio-economic data also underscores the need for competent and responsive municipal governance to solve the seemingly insurmountable problems that Ethiopia's foremost city is facing.

In summary, Addis Ababa faces problems of governance and accountability that arise from its multiple status. It also faces many organizational and management problems that have affected its capacity to serve the residents. It is proper to review some conceptual issues in urban governance and management before discussing the management and organizational constraints of the city government.

IV. Theoretical Discussion

As was noted earlier, the purpose of this paper is to assess the governance and management of the city of Addis Ababa within a theoretical framework. Hence, the following theoretical review of the tasks of urban governance and models of city management is provided to serve as a conceptual framework within which the city's performance and problems will be analyzed. In addition, this discussion is also aimed at identifying practical suggestions to ease urban problems in Addis Ababa.

Nature and Task of Urban Governance

It is necessary to have a working definition of the term 'urban governance' in order to assess the current state of urban management in Addis Ababa. The term 'urban governance' is used to refer to both the *institutions* that are involved in the running of urban governments as well as the major *tasks* performed by these institutions. The institutions referred to are the network of government and non-government organizations operating in urban areas, including central, state, and provincial governments, municipal authorities, public utility corporations, and a wide array of institutions of civil society, such as private businesses, professional and trade associations, voluntary and community organizations (Castells, 1983; Mbaogunje, 1990; Davey, 1997). The term also embraces the functions conducted by governmental and non-governmental organizations in an urban setting. Broadly, the functions relate to the supervision, financing, planning and execution of socio-economic policies by the nexus of organizations in urban areas. Specifically, these policies emphasize the following:

- **Providing** infrastructure essential to the efficient operation of cities;
- Providing services that develop human resources, improve productivity and raise the standard of living of urban residents;
- **Regulating** private activities that affect community welfare and the health and safety of the urban population;
- Providing services and facilities that support productive activities and allow private enterprise to operate efficiently in urban areas (Davey, et.al., 1997).

Since the list is too general, some writers on urban governance have provided the following checklist of core responsibilities of local authorities:

- land-use planning;
- waste management;
- water supply and sewerage services;
- disaster relief and rehabilitation;
- health and social services;
- park development and maintenance;
- inspection and licensing to maintain compliance with national standards;
- public transport management; housing provision; and
- environmental monitoring and impact assessment (Gilbert, Ct. al.,1996).

The checklist constitutes generally accepted responsibilities and functions of an urban authority. If a city government is able to successfully provide the afore-mentioned services to the satisfaction of the majority of the inhabitants, then it can be characterized as having a responsive and efficient urban management. By the same token, the municipal administration of Addis Ababa should be evaluated by using a similar yardstick. As will be shown later, an assessment of the quality of urban governance and performance of Addis Ababa on the basis of the preceding set of criteria reveals that its leadership has failed in carrying out the core tasks of urban governance.

From an institutional perspective, the term 'urban governance' embraces all the organizations involved in providing services to the urban community. In other words, it does not exclusively refer to the local government authority alone, however central its role may be. The complex nature of urban problems throughout the world is such that it has become necessary to involve a large number of organizations other than what are considered to be local authorities in delivering public services and goods to the inhabitants of a city.

The definition of urban governance involving the multiplicity of institutions working as partners in the administration of urban areas raises an important issue in governance. This relates to how much local government authorities do by themselves and how much should be left to other government organizations, non-governmental organizations (NGOs) and institutions of civil society. Nowadays, this is particularly important because it is often emphasized that the public sector should operate in partnership with various elements of the community in providing services. This governance parameter which the text uses on the partnership approach to the provision of public goods and services will be used as a critical variable in assessing the extent to which the leadership of the municipality of Addis Ababa has been successful in working with other legitimate organizations serving the community (Gilbert, et. al., 1996; Helmsing, 1999).

Related to the partnership approach to municipal management is the issue of whether local governments should 'steer' or 'row' in the delivery of services. In popular governance discourse, 'rowing' refers to the practice whereby local governments provide services directly through their bureaucratic structures. 'Steering' focuses on urban authorities working in partnership with the private sector and non-governmental organizations. Whether a local government authority emphasizes the rowing or steering approach will depend upon the strengths of the sectors that provide the services and the availability of other service providers to the community. It is generally recommended that given their limited capacity local governments should focus on the steering strategy and encourage private and community organizations to actively participate in the provision of services. This would require creating a conducive institutional and policy environment, including a participatory decision-making structure and sufficient awareness of the importance of civil society organizations in promoting accountable municipal governance. Addis Ababa has a long way to go in this regard. Its administration has neither the requisite policy framework nor the institutional mechanism to foster public-private partnership in the management of the city (UNCHS, 1987; Gilbert, et. al., 1996; Helmsing, 1999).

An equally important parameter to assess the efficacy of urban governance is the model of city management. The issue is of particular significance because an appropriate city government model is an essential requirement for the efficient management of modern urban authorities. It has been argued elsewhere in this paper that the governance and management structure of Addis Ababa has major deficiencies. The infusion of politics into municipal administration and the accent on upward accountability have generated lack of responsiveness on the part of the city's leadership to the needs and problems of the residents. In the following section, selected organizational models of city government will be reviewed for the purpose of suggesting a suitable governance and organizational structure for the city government of Addis Ababa.

Models of City Government

The literature on urban management has traditionally identified three forms of city government, viz, the mayor-council, the commission city government and the council-manager models. Each of these models has its own organizational characteristics and features. Below, the strengths and weaknesses of these organizational models are reviewed in order to forward useful suggestions for reforming the governance and management structure of Addis Ababa (National Civic League, 1996).

i. The Mayor-Council Model

According to the mayor-council model, both the mayor and the council of the city are elected for a simultaneous term. The two have equal powers and authority. Formally, the mayor serves as the chairman/president of the council and chief executive officer of the city administration. Both the mayor and the council are often full-time office holders. The main function of the council is to make laws and approve the budget. In the 'strong' mayor model, the mayor can have a veto power over the budget and important municipal appointments (Snider, 1950; National Civic League, 1996).

The main strength of the mayor-council model is that there is a formal division of duties and roles between the mayor and the councilors. In other words, it clearly fixes responsibility and functions between the two. Citizens are better served because the two bodies have collective responsibility and can be held accountable by their constituency. On the other hand, the principal weakness of this model is the possibility of a potential power struggle between the mayor and the elected council, which can adversely affect the smooth running of the city. In a functioning democracy, the electorate has the vote weapon to resolve the stalemate. Awareness of the possibility that facing the electorate could mean loss of power for either of the two is an incentive for both to closely and cooperatively work in serving the people.

ii. The Commission Model

In this form of urban management, major services and functions are headed by separate commissions. The commissioners are elected and stay in office for a definite term. All of them heading different departments constitute the city government and thus become its policy-making and executive apparatus (Macdonald, 1960).

The commission model has the advantage of a single department focusing on a major service area. The centralization of the service in turn can insure the allocation of sufficient budget and personnel necessary for its effective delivery. In addition, since the individual commissioner's political reputation and career are at stake in relation to the efficient provision of the service, he/she can exert maximum political influence to acquire sufficient resources to carry out the tasks of the department.

Commission city governments have been known to be led by amateurish politicians rather than professional managers. Political rivalry among the commissioners is a typical feature of these governance models. These two problems have reduced the popularity of these models of city management in many places. To make up for their deficiency in professional talent, commission-led governments often employ career public personnel recruited on the basis of merit. However, it has not always been easy to insulate merit-based employees from undue political influence and manipulation. In addition to unwarranted political pressure on public employees, the lack of effective coordination of municipal services stands out as the single most important problem of commission city governments.

iii. The Council-Manager Model

As the name implies, the council-manager city government model consists of an elected council accountable to the people at large and a professional administrator appointed by the elected body. The council is responsible for formulating municipal legislation and policies and approving the budget. It does not involve itself in the day-to-day affairs of the municipality. This task is left to the manager who in turn recruits and appoints qualified staff in the different departments of his/her administration. There is bound to be limited political pressure on the manager and the permanent staff because he/she is judged on the basis of performance rather than loyalty to powerful politicians (Snider, 1950; National Civic League, 1996).

Of all the models, the council-manager system seems to be the most popular alternative in many places. First, it blends politics and professionalism in city governance. In other words, it represents a system that combines a politically accountable council with a technically and professionally competent management structure. Second, it provides for an independent and merit-based municipal public service whose performance is judged by results alone. The terms and conditions of employment of the municipal service are governed by a separate legislation outside of the national civil service law. This guarantees the independence of the service and enhances its commitment to serving the tax-paying public rather than elected politicians. Third, the council-manager system has the advantage of separating policy-making from policy-implementation. Despite its shortcomings, this politico-administrative practice reinforces checks and balances in the system and helps each actor to devote full time and attention to the accomplishment of its respective mission.

It is suggested in this paper that the council-manager system be adopted as the most appropriate governance structure for the city of Addis Ababa. An elected council that is politically accountable to the residents and a professional management that is responsive to their needs are not mutually exclusive. In the current governance structure of the city of Addis Ababa, the elected council is serving both as a policy-making and executive body. One concomitant result of this arrangement is that the leadership will be preoccupied with routine administrative issues and be forced to relegate the function of long-range planning for the development and growth of the city to a secondary importance. In addition, given the existing dearth of professional expertise in urban management among the majority of the councilors, it is recommended that the day-to-day management of the city of Addis Ababa be in the hands of a professional and technical administration answerable to the elected council.

Generally, urban issues are better understood in a given conceptual framework. The preceding theoretical discussion on the tasks and models of urban governance is intended to provide a framework for analyzing the problems of urban governance and management in Addis Ababa. It is also to provide a proper context for putting forth ideas to enhance its institutional capacity for improved governance. In the following sections of this paper, Addis Ababa's main problems and challenges will be highlighted, and suggestions will be made to improve its overall governance and management within the context of the foregoing theoretical discussion.

V. Challenges and Problems Facing the City

As was mentioned elsewhere in this paper, Addis Ababa is the biggest city in Ethiopia accounting for 27 per cent of the nation's urban population. Like any other developing city, Addis Ababa faces multiple challenges that have to be addressed to provide decent life for the residents. Over the years, there has been a precipitous decline in the level and quality of municipal services and a general deterioration in the urban infrastructure. There is considerable public discontent over the municipality's failure to address the social and economic needs of the city's population. One of the causes for the deteriorating urban environment is the poor performance of the municipal administration in terms of catering to the interests, needs and priorities of the public. In addition, the city faces organization and management problems that have prevented it from providing efficient governance and improving the level and quality of services. A brief discussion of some fundamental organization and leadership problems is in order as a prelude to suggesting possible solutions to reform the governance and management system of the city.

The Problems of Multiple Identity

One of the factors that complicates the governance and management of the city is its multiple identity. As was pointed out earlier, Addis Ababa is presently the capital city of the Federal Government, the seat of

the Oromia Regional State and a separate autonomous administration. This political arrangement has given rise to a number of practical problems. How does the multiple authority structure affect Addis Ababa as an autonomous city? In what ways have the city's multiple roles affected the administration's accountability and responsiveness to the electorate? How can the city leadership reconcile its accountability to the electorate with the pressure that will inevitably come from the federal government and the Oromia regional government? What should be the functional and authority relationships between the Addis Ababa administration and the other power centers? These and other questions point to the challenges of managing a city with multiple authorities over its head. Any reform agenda to improve the governance and management of the city of Addis Ababa must address these and other related issues.

Administrative and Fiscal Challenges of Multiple Identity

Addis Ababa's multiple identity has created fiscal and legal problems that have affected the city's ability to function independently. The absence of a clearly defined status and jurisdiction has constrained the city's authority to raise sufficient revenue for development. This situation needs to be rectified by addressing the following questions:

In what ways has the city's undefined status affected its revenue raising powers? How much grants-in-aid should the central government give to the city for using it as the federal capital? Should the federal and Oromia regional governments be given representation in the city's governance structure? How can the municipality's management balance between its accountability to the residents and the political pressures that can come from these two power centers? Should the city collect taxes on buildings and land owned and used by both the Oromia Regional state government and the Federal Government? These are pertinent issues that need to be addressed in order to make Addis Ababa a self-governing and independent urban entity.

Limited Legal Authority Over Public Utility Corporations

Although a chartered urban government, Addis Ababa does not have any legal or regulatory authority over the utility corporations operating in the city. This has been a persistent challenge which the municipality has not been able to overcome for a long time. The absence of legal authority has rendered the city unable to impose an obligation on the public utility companies to coordinate their work in the delivery and expansion of water, electricity and telephone services. The residents and the city have been incurring tremendous costs to repair the damage to houses and streets caused by the uncoordinated activities of the utility companies. The residents endure a great deal of inconvenience as a result of frequent interruptions and outages of services. The cost of rehabilitating damaged streets and other infrastructure left in disrepair by these public corporations has become an added burden on the taxpaying residents of Addis Ababa. Despite the frequency of these and other problems, however, the municipality does not have any clout to ameliorate the situation because of lack of legal authority over these organizations.

Absence of Defined Working Relationship with Public Utility Authorities

The city government of Addis Ababa does not have a clear functional relationship with the major utility corporations operating in the city. This constitutes a serious gap in the city's governance structure because it has handicapped the municipality's capacity to match the demand for utility services with the growth of the urban population. In addition, the lack of a functioning working relationship has deprived the municipality of any authority to supervise the work of the corporations. The three corporations, viz, the Addis Ababa Water Supply and Sewerage Authority (AAWSSA), the Ethiopian Electric Power

Corporation (EEPCO) and the Ethiopian Telecommunications Corporation (ETC), are all owned and operated by the central government.⁴ Addis Ababans are major customers for all of them, and the city administration must, therefore, safeguard the interests of its constituency vis-à-vis the corporations. However, the absence of an effective working relationship has meant that the residents do not have any say either on the quality of services or charges for these services. This situation has left Addis Ababans at the mercy of the corporations, which are often accused of not being sufficiently responsive to the needs of the public.

Inadequate Capacity for Revenue Collection

One of the acute problems that the city of Addis Ababa is facing is its inability to collect revenue in full and on time. Over the past six years, the municipality has invariably failed in collecting the full amount of the city's revenue. This has proved to be a major handicap to undertake badly needed socio-economic development in the city. Table 3 provides data on Addis Ababa's projected and actual revenue between 1994-1999. Revenue shortfall is a crucial matter because without sufficient resources the municipality will not be able to provide badly needed public services.

Table 3
Projected and Actual Revenue of the City Government
(in mills. Eth. Birr) - 1994-1999

Year	Projected Revenue	Actual Revenue	Difference	Deficit in % age
1994	278	184	-94	-34
1995	287	262	-25	-9
1996	397	348	-49	-12
1997	450	458	+8	10
1998	736	681	-55	-8
1999	936	669	-267	-29
Total	3084	2602	-482	-16

Source: City Government of Addis Ababa, September, 1999

It is an irony to note that life in Addis Ababa is fast deteriorating when the municipality has millions in uncollected income, which could be used to improve the city's infrastructure and ameliorate the dire socio-economic needs of the inhabitants. From the above table, it can be observed that the city failed to collect 482 million Ethiopian Birr over the 6-year period. This amount is by far greater than the annual average revenue of the municipality during the period under review. According to some sources, the municipality has nearly 4.2 billion Birr in revenue arrears. It is equally ironic that the municipality has taken more than half a billion Birr in loans and continues to receive substantial subsidies from the federal government when it has millions in uncollected revenue. By all accounts, therefore, it is safe to generalize that the real problem of the city of Addis Ababa is not shortage of finance but the absence of a working tax collection system (Region 14 Administration, *1995*).

Underutilized Revenue Potential

One of the current problems of Addis Ababa is its failure to fully utilize its revenue potential. Judging by some crude economic indicators, the city government should be able to collect more taxes than it has been able to accomplish so far. For example, Addis Ababa accounted for 31.4 per cent of the total workforce in the distribution and service sectors of the national economy in 1996. Nearly 20 per cent of the total wholesale, retail and service establishments were located in Addis Ababa during the same year (Admit, 1998). It can be argued that such a concentration of business and employment must have helped the city to generate more revenue than its current performance. Table 4 presents the major sources of municipal income and total annual revenue collected by the City Government between 1994-1999.

Table 4:
Sources of Income and **Annual Revenue Collected by the City Government 1994-1999 (in million Birr)** Finance Bureau,

S/N	Sources of Revenue	1994	1995	1996	1997	1998	1999
1	Direct Taxes	83.57	127.83	150.98	195.60	296.22	297.45
2	Indirect Taxes	44.43	48.95	81.70	80.63	94.28	76.17
3	Non-Tax Revenue	51.79	80.01	110.30	176.69	284.98	296.26
4	Pension Contributions	4.85	5.47	5.80	6.03	6.5	--
	Total	184.67	262.26	348.78	458.95	681.98	669.88

Source: City Government of Addis Ababa, Finance Bureau

It can be observed from the above table that direct taxes and non-tax revenue are the major sources of revenue accounting for a hefty 89 per cent of the total revenue during the period under review. All taxes show significant increases every year. For example, direct taxes have more than tripled and non-tax revenues have increased more than four-fold between 1994-1999. Given Addis Ababa's enormous economic significance, however, the achievement should not be over-exaggerated. As was mentioned elsewhere in this paper, the 4.2 billion Birr in uncollected revenue owed to the municipality is one indicator of the poor performance of the city government in tax collection.

Poor institutional capacity is the major explanation for Addis Ababa's abysmally low performance in revenue collection and utilization. The term poor institutional capacity refers to the shortage of trained personnel to assess and collect revenue that the municipality can obtain from different sources. It is also a reference to the municipality's obsolescent administrative and financial system that is notorious for its inefficiency, inflexibility and time-consuming features. Added to this is the fact that tax assessors lack integrity and can be easily corrupted to reduce taxes or waive the same. All these problems erode the city's tax base.

Addis Ababa municipality's economic and financial administration is plagued by corruption. This is a principal contributory factor to the potential revenue shortfall. For example, it is a public secret that there have been five reshuffles of the chairpersons of the economic standing sub-committee over the past six years allegedly on corruption and bribery charges. Both short-term and long-term strategies have to be devised to enhance the city's revenue capacity. The management of the city has to conduct an effective public campaign to convince tax payers that paying taxes on time is both a duty and an obligation. This can reduce the current high incidence of default and evasion of taxes. In addition,- the administration of the municipality needs to reform the archaic accounting and financial system and make it amenable to efficient financial operations management and follow-up of unpaid taxes.

Erratic Revenue and Expenditure Pattern

An additional problem symptomatic of Addis Ababa's inadequate institutional capacity for revenue generation and utilization is the erratic revenue and expenditure pattern. Table 5 throws some light on the problem. Several conclusions can be drawn to show the inconsistent revenue and expenditure pattern of the city over the past six years. It can be observed from Table 5 that between 1994-1999 the city has invariably spent more than what it has been able to collect. The magnitude of the deficit varies from a

high of 116.54 million Ethiopian Birr or 44 per cent of the annual revenue to a low of 1.14 million Ethiopian Birr or a negligible 2 per cent of the annual revenue. On the expenditure side, too, one can observe a similar erratic pattern. For example, the rate of annual increase in the municipality's expenditure varies from a low of 7 per cent between 1996-1997 to a high of 62 per cent in 1997-1998.

Table 5
Revenue and Expenditure of the City Government 1994-1999 (in million Birr)

Item	1994	1995	1996	1997	1998	1999
Revenue	184.67	262.26	348.78	458.95	681.98	669.88
Expenditure	257.99	378.80	431.71	460.09	721.90	695.56
Balance	-73.32	-116.54	-82.93	-1.14	-39.90	-25.68

Source: Addis Ababa City Government Finance Bureau, September, 1999.

Such an inconsistent revenue and expenditure pattern is not a good sign of sound financial management. In addition, it can also adversely affect the smooth running of the city in very many ways. First, it can handicap the city from undertaking long-range planning because of the volatility and unreliability of its revenue generating capacity. For example, the municipality will be hard pressed to undertake capital projects that require huge multi-year investments with the existing unpredictable revenue pattern. Second, the persistence of this unpredictable revenue trend will force the city to seek financial assistance from the federal government. This is likely to undermine its autonomy. The loss of financial autonomy will reinforce central control with adverse consequences for the city's self-government.

Absence of Property Taxes

Property taxes are the most lucrative sources of revenue for local governments throughout the world. Addis Ababa does not have property taxes and is therefore deprived of a major revenue source. The 1974 nationalization measure converted urban land, rental houses and private buildings to state property. As a result, the government became a major immovable property owner. Since then, no taxes could be collected on a significant chunk of real estate owned by the government.

There are institutional and political constraints that have prevented Addis Ababa from deriving revenue from real estate property. These relate to national policy dealing with acquisition and ownership of land in the country. First, it is government policy in Ethiopia that individuals can secure urban land only through a lease system. Such land is not subject to sale, inheritance and cannot be given as collateral. Technically, an individual has *usufruct* and not *private* ownership rights over such land. This means that annual taxes can be assessed on the building and house on the land. This will inevitably reduce the amount of revenue the city should be able to collect.

The second explanation for inadequate property taxes is institutional. There are four land owners in the city of Addis Ababa. These are the government whose representatives are the Agency for the Administration of Rented Houses (AARH) and Kebeles, the Ethiopian Orthodox Church, the Ethiopian Islamic Affairs Council and private individuals. The central government is the biggest landowner accounting for 40 per cent of the buildings and rented houses in the city. At present, the municipality receives no property taxes on such urban property owned by the state. It is not clear whether the two religious organizations pay taxes either. Only individual owners, which account for nearly 30 per cent of

the housing stock in the city, are obliged by law to pay building taxes to the municipality of Addis Ababa. This situation has meant that Addis Ababa and all towns and municipalities throughout the country earn substantially much less from property tax than they should.

On the whole, Addis Ababa faces complex governance and institutional problems Which have to be addressed as a matter of urgency. The socio-economic problems discussed elsewhere in this paper are manifestations of a deeply flawed urban governance and leadership structure. Some of the challenges confronting the city are so fundamental that they require major policy decisions by the central government. In the following pages, an attempt is made to provide some policy recommendations to reform the city's governance and management structure.

VI. Policy Options

The preceding discussion brought out the administrative, financial and political problems of the city of Addis Ababa. It was also emphasized that the city faces organizational and management problems which are rooted in its governance and leadership structure. The mounting social and economic woes the residents face on a day-to-day basis are manifestations of the poor quality of the council membership and the inefficiency of the administrative and technical personnel of the municipality. Both the elected council and the non-political technical and professional personnel lack sufficient expertise in urban management and administration.

It was reiterated that Addis Ababa's deteriorating situation is also a clear indication of the fact that the municipality has not been responsive to the needs and concerns of the residents. The leadership of the city owes a greater degree of upward accountability to the politics of the day than to the people. Addis Ababa's multidimensional problems will continue to worsen unless the city gets a governance and management structure that can be judged by results rather than political and/or ethnic considerations. Policy measures aimed at institutionalizing a governance and management system that can steer the city out of its intricate problems are suggested below.

Grant Addis Ababa Genuine Autonomy

The first essential step to improve the governance and management of the city of Addis Ababa is to give the city genuine autonomy and **make its** administration responsive to the citizenry. **At present**, the city government is subject to the pressure that can come from the federal government and the Oromia regional government. It is very likely that this political pressure will erode the city's autonomy and compromise the leadership's commitment to serve the public. The deteriorating socio-economic conditions bedeviling the residents of Addis Ababa, such as widespread poverty, unemployment, teen-age prostitution, crumbling infrastructure, severe housing shortages, poor social services and abysmal sanitary conditions, will continue to receive little attention unless the municipal council is made accountable to the inhabitants rather than the government and/or ruling party. It is absolutely necessary that Addis Ababa become an independent urban authority with sufficient legal and financial powers in order to alleviate many of the problems its residents face on a day-to-day basis.

The challenge of modern urban government calls for independent authorities with considerable degree of self-rule to satisfy the increasing demand for services by the public. In this regard, Addis Ababa cannot be an exception because it also requires a governance structure that is responsive to the economic and social needs of its growing urban population. What is needed is a genuinely autonomous urban government that

is accountable to the residents and devotes its entire energy to the efficient provision of socio-economic services and the city's future growth.

Give the City A Vision and Mission

The quality and commitment of an urban leadership is judged by its vision for the city. Addis Ababa cannot be an exception in this regard. One of the problems of Addis Ababa is the fact that its leadership has very little awareness of the standard functions and responsibilities of an effective urban government. It was mentioned elsewhere in this paper that an urban government has a set of core functions by which its success will be evaluated. This reality is sorely missing in the management of Addis Ababa as a modern urban authority. A clear case in this instance is the proclamation that established the city Government of Addis Ababa. The legislation is totally silent on the core functions and responsibilities that a municipality should undertake. It reads like a constitution of a regional government dwelling on the political powers and authority of the city council and the president and saying very little on the core duties and services of a city administration. In other words, it has totally overlooked the fact that Addis Ababa is an urban center with its own unique features and characteristics and has very little in common with a regional state government. The inhabitants will have been better served if the proclamation had clearly spelt out what kinds of urban services will be provided by a duly constituted urban authority.

Apart from insufficient awareness of the proper functions and roles of municipal governance, there is very little understanding of the service concept both among the elected councilors and the non-elected bureaucratic staff of the municipality. Again, the reference is the legislation, which is totally shy on the concept of service to the public. The proclamation does not state the proper functions and responsibilities of the city as a municipal authority. For comparative purposes, it is worth-noting that the 1954 Addis Ababa City Charter issued by the monarchy is by far superior in terms of clearly spelling out the conventional functions and responsibilities of effective municipal governance. By contrast, the 1997 Addis Ababa City Government Proclamation sounds like a regional government constitution rather than a municipal law which defines the mission of a municipality to be providing service rather than acting as a purely political organization.

Redefine the City's Jurisdiction

The city government has 305 urban and 23 rural kebeles. These two areas of local government have different needs and priorities and should not be served by one municipal authority. In recognition of the special needs of the rural localities, the municipality maintains an agricultural bureau employing 515 people. This has contributed to making the administration too bulky for coordination and efficient delivery of services. In addition, the attempt to serve the two different jurisdictions can have the effect of dissipating the resources and energy of the municipal administration. The suggestion here is that the Addis Ababa municipality must focus on the needs and problems of its urban constituency. The boundary of the city must be redrawn to incorporate all currently designated rural areas as part of the urban government. The municipality should not overstretch itself to administer rural communities when it has not been able to do a good job of providing effective urban governance and leadership.

Establish a Career Public Service for the Municipality

A municipal career public service is an essential requirement for efficiently managing the city of Addis Ababa. This service should be merit-based and recruited on a competitive basis; and its employment and working conditions should be governed by an appropriate legislation outside the framework of the

existing civil service law. Further, such a municipal public administrative service should have an independent career structure and be entrusted only with the task of implementing the laws and policy decisions of the elected executive. The municipality should provide competitive salaries and incentives in order to lure competent people into the service. The chief mission of such a service will be the running of the city, including the efficient delivery of urban services for its tax-paying residents and tackling the most intractable problems that the city dwellers face.

As the body responsible for the day-to-day running of the city, the municipal public service should be supervised by the elected council and be free from political influence. Its independence can be enhanced if it is under the authority of an external body, for example, a nationwide union of municipal employees, rather than being controlled by political bosses. Further, the administrative service needs to be transparent that provides citizens avenues to lodge complaints and grievances against misuse of authority by public employees. At any level of state administration, the citizenry is better served by government if there are institutional and legal guarantees to receive redress for mistreatment by public officials.

Institutionalize a Professional Urban Leadership

One of the problems of the city of Addis Ababa is the absence of an experienced and professional urban leadership that appreciates the needs and problems of a modern urban center. The municipality of Addis Ababa is currently run by elected politicians almost all of whom owe their jobs to party membership. The bulk of the leadership has little expertise in urban governance and municipal management. Although formally elected, the majority of them keep their positions because of their allegiance to the Party or government more than their accountability to the electorate. As a result, the problems of the public receive secondary attention in the interests of upward accountability. It is a truism that citizens can have leverage over their representatives if the latter are democratically elected and the public has the right to recall them whenever it wishes to do so. As long as loyalty to the party outweighs accountability to the electorate, the needs of the community will continue to be unmet.

Most Addis Ababa city councilors are generalists and have little experience in urban policy making and management. This deficiency can be partially overcome by making the elected municipal council concentrate more on legislative and policy making functions rather than involve itself in routine administrative matters. As earlier suggested, the management of the city and implementation of decisions can be responsibilities for an appointed public service cadre which will be governed by a different personnel policy and employment conditions. The division of labor between elected politicians and professional administrators can help fix accountability, minimize political interference and keep the organization and management of the municipality in the hands of professional managers rather than amateur politicians. Such measures are currently needed in the city of Addis Ababa to promote professionalism in municipal management and administration.

Depoliticize the Management of the City

Depoliticizing the management of the city of Addis Ababa is a key policy step to establish an independent municipal administration that will be responsive to the needs of the residents. By 'depoliticizing' is meant setting up an independent administrative and organization structure that is free from direct political control by elected councilors. The most critical element of such a system is to build a merit-based and professionally competent municipal labor force whose employment condition and job security will be determined by its performance on the job. One approach to organize this kind of labor force is by putting into effect a competitive and open recruitment policy for all categories of municipal employees. It is necessary to insulate municipal employees from unwarranted political manipulation and provide them

with sufficient protection against arbitrary action by politicians in order to institutionalize a depoliticized public service.

A growing number of Addis Ababans are highly dissatisfied with the poor quality of urban services they receive. The municipality's poor service record can be partially explained by the low caliber and competence of the city's labor force. This has been engendered by the politicization of the municipalities personnel policy which has not made it possible to recruit qualified staff on the basis of merit and qualification. Among other things, the indiscriminate use of the spoils system in personnel management decisions, i.e. the practice of giving jobs to candidates recommended by highly-placed party functionaries and recruiting people on the basis of ethnic background, has meant the municipality has not been able to attract 'the best and the brightest'. It is a foregone conclusion that a personnel system that is plagued by nepotism and political cronyism will always settle for the second best talent.

Differentiate the Roles of Career Municipal Personnel and Politicians

There should be a clear differentiation of the roles of a career municipal public service and the elected council to provide an administration that can effectively deal with some of the serious problems of the municipality of Addis Ababa. The present leadership of the city of Addis Ababa-cum-Region 14 Administration is characterized by lack of differentiation between policy making and execution in its top management. The absence of a clear distinction between policy making and executive functions is due to the fact that the elected body has been given the dual responsibility for formulating policies and plans as well as implementing those decisions. This has created two main problems for the city's administration. On the one hand, it has made it possible for politics to permeate various aspects of the city's work, such as licensing of businesses, implementing the land lease policy, municipal bidding and contracts. This has in turn prevented career personnel from carrying out their duties according to established policies and procedures. Second, political highhandedness has generated high-level corruption and abuse of authority that have further eroded the public's trust in the municipality's governance. Simply put, the mixing of politics and administration has not promoted good governance in the municipality of Addis Ababa.

It should be reiterated that municipal politics and the management of a city by a technical cadre of public servants are not mutually exclusive. The experiences of most well-managed cities suggest that an elected executive can work as a supervisory authority over a technically competent management apparatus that will be running the city. The former is accountable to the electorate while the latter should be judged by its performance. This organizational arrangement has become imperative because most elected politicians are generalists that do not possess sufficient management expertise and thus need to be supported by a professional bureaucracy for the efficient governance of the city. By the same token, Addis Ababa as a growing metropolis can benefit from the same experience, i.e. it can be run by an appointed competent public service working alongside an elected political executive that concentrates on making laws and policies. What is needed is a careful delineation of the roles of the politicians and the career public servants in such a way that the former makes policies while the latter concentrates on executing the same for Addis Ababa to be an efficiently governed municipal authority.

Establish a Federal Planning and Management Training Institute

One of the problems confronting the administration of the city of Addis Ababa is the serious dearth of qualified managerial and technical manpower in many areas of municipal management. The situation has been exacerbated by the municipality's poor pay and benefits, which can neither attract new people nor retain existing personnel. A possible solution to the critical staff shortage is to open a Federal Urban Planning and Management Institute. Such an institute will train people in management, accountancy,

finance, civil and sanitary engineering, planning, surveying and many other fields which the municipality requires. If accompanied by other reforms, including a competitive salary and benefits package, this measure can ease the manpower shortage the municipality is experiencing in all areas of training. The institute can be organized in such a way that it can offer short-term skill-upgrading and refresher training for existing personnel side by side with a long-term program to train a new municipal labor force. In addition to formal training, such an institute can also offer advisory and consultancy services to urban and rural municipalities in the different regions of the country.

The need for the proposed federal training institute is indeed justified because it can also be made to train technical and administrative personnel for the municipalities of the different regional governments. At present, many urban centers in Ethiopia face critical shortages of qualified personnel in all areas of service delivery and municipal management. The problem is more acute in trained manpower-deficient regions, such as Afar, Somali and Benshangul and Gumuz regional states, than in other regions. The establishment of a national school for training municipal personnel in various areas can go a long way in easing the labor force shortage faced by municipalities and other local government authorities. The proper place for the training establishment is the municipality of Addis Ababa because it is the only major local government authority which can afford to finance such a facility. Training costs for regions should be covered with substantial aid from the federal government.

Decentralize the Administration

The administration of the municipality should undertake meaningful decentralization in order to better serve the public. At present, most city services are centralized and there is little devolution of functions to the 28 weredas which constitute the Addis Ababa city administration. This has created a great deal of bureaucratic congestion and enormous delay in the provision of urban services. Certain functions, for example, registration of births and marriages, licensing and inspection of bars and restaurants, garbage collection, neighborhood watch programs, etc. can be handled with much ease and convenience to the community at the wereda and kebele levels. By delegating such functions, the municipal authority will relieve itself from most routine responsibilities and concentrate on long-range planning and growth for the city. Apart from administrative convenience, such a process of devolution needs to be promoted because it is one of the ways to push down democratic governance to the grass roots.

Weredas and Kebeles can be helpful partners in decentralized governance in Ethiopia if there is a significant shift in the public's attitude towards these institutions of local government. For quite a while, these tiers of government have been used as instruments of state control and repression. This perception has to change if they are to serve as popular institutions of administration. With the positive change in attitude, these structures of urban governance can earn the trust of the people and carry out important functions for the municipality, such as collecting revenue, registering land and property, supervising schools, clinics, day care centers, and other social services. They can as well be vehicles for undertaking community development programs and urban renewal activities. It is, however, necessary to equip weredas and kebeles with adequately trained staff and office facilities in order to enable them to shoulder the delegated responsibilities. If given adequate budgets and authority to work as autonomous local institutions, they can indeed prove to be popular outlets for service delivery because they are near to the community and can thus be responsive to the needs of the public. They can also be easily accessible to ordinary citizens and less bureaucratic than the central municipality administration.

Promote Citizen Participation in Urban Governance

Popular citizen participation in governance is an accepted practice in the democratic process. Addis

Ababans have become passive onlookers in the face of deteriorating urban services and infrastructure. This trend has to be reversed in favor of a democratic and participatory urban governance. The city of Addis Ababa has to tap the intellectual, financial and cultural resources of its residents in managing and providing services to the people. The city should as a matter of policy co-opt professional and technical people in the governance and management of the city. These members can be drawn from professional associations, community organizations and business interests selected on the basis of their expertise and potential contribution to the efficient management of the city. Their involvement can bring new perspectives and experiences to the management and running of the city.

Community involvement in urban governance can have a number of advantages. It is an essential component of democratic governance and can help the municipality secure public support for programs and activities it carries out. Citizen participation can go a long way in improving the administration of the city of Addis Ababa. It infuses flexibility and innovative ideas to the management and provision of services and thus makes the bureaucracy responsive to the needs of the community.

Encourage Non-Governmental Actors to Participate in Urban Governance

One of the issues raised in the theoretical discussion on urban governance is the role of non-governmental organizations in the provision of urban services and goods. It has been pointed out that NGOs and civil society can be helpful partners in effective urban governance. In discussing the 'steering' approach to local governance, 'as also noted that the extent to which local authorities work with these organizations was a measure of their success. By the same token, the performance of Addis Ababa municipality must be judged by its ability to foster a working partnership with the many organizations found in the city. The municipality should create favorable conditions so that all organizations can positively contribute to the city's administration. Representatives of both local and international NGOs, private businesses, community-based organizations and philanthropic societies can participate in the governance and policy-making process of the city. They can as well be encouraged to assume specific municipal responsibilities either on their own or jointly with the municipality.

In many large and developing cities, the demand for urban public services keeps on increasing. There is growing awareness that municipal administrations alone cannot meet this rising demand because of organizational and resource constraints. As a result, it has become necessary to encourage the involvement of interested organizations in undertaking socio-economic development activities, such as providing schooling and basic health care in poor neighborhoods, upgrading infrastructure, providing housing and shelter for the poor and the elderly, and creating employment opportunities for underprivileged groups. This practice is a clarion call for hard-pressed Addis Ababa. In particular, the city leadership has to adopt this governance approach in order to partially ease the dire needs and problems of the vast majority of the inhabitants.

Apart from saving resources to local government authorities, the participation of the network of organizations in service delivery has the added advantage of helping the most needy and vulnerable groups in society. They have also proved to be more responsive to the needs of the community because they are less bureaucratic than the government and are closer to the people being served.

Use Alternative Systems of Service Delivery

It has now become a foregone conclusion that municipal bureaucracies are neither the sole nor the most efficient instruments of service delivery. They have often been criticized as being cumbersome, not service-oriented, corrupt and unable to cope with the increasing challenges of modern urban government.

As a result, alternative means of service delivery, which include contracting, privatization and joint management of municipal services, have become popular in many countries. These alternative means entail cost-sharing and charging user fees for services rendered. As such, the measure can help the financial and budgetary situation of the municipality, and cut down some of the heavy subsidies the city government is currently paying for some services, including city bus transport and water supply. Apart from cost considerations, these alternative means are preferred because they have been found to be more efficient, flexible and less bureaucratic than large municipal departments.

The bureaucracy of the municipality of Addis Ababa has often been criticized for being corruption-ridden, slow, inefficient and unresponsive to the needs of the community. This negative trend has necessitated the need for alternative means to serve the public. The municipality should explore a variety of approaches, including running of municipal services in designated areas jointly and contracting out and privatizing services in the city if the current trend of poor and deplorable record in service delivery is to be reversed. Each of these service delivery mechanisms has its own advantages and disadvantages. It is unto the municipality to select the best modality based on the kind of service and affordability to the citizenry. Based on the experience of other countries, some of these measures can be less costly to the tax payer than what is currently demanded by the municipality for the same.

Once the City Government decides to explore alternative forms of service delivery, it is necessary to develop the institutional and managerial expertise in contract management. It has to devise control mechanisms and monitoring techniques for the quality of goods and services supplied by contracting parties. In addition, it has to insure that urban services are fairly and equitably provided to both affluent and poor neighborhoods in the city. Short of these measures, the city will find itself unable to control the quality and amount of services and the contract system will be plagued by corruption and bribery as has been the case in many other city governments which have experimented with these modalities of public service delivery.

VII. Conclusion

It is necessary to reaffirm Addis Ababa's autonomous status by a legislation that spells out core municipal functions and services. There needs to be a greater sense of awareness of public service and accountability to the citizenry among the elected councilors and the non-elected municipal staff. The resolution of the city's intricate economic and social problems requires a competent and dedicated permanent staff that is free from the 'spoils' system and whose performance will be judged by results alone. The success of Addis Ababa as an autonomous urban authority should be judged by the extent to which it performs conventional municipal responsibilities and services.

An appropriate governance and city organization model is necessary for effective urban management. I have argued in this paper that this is a major deficiency in the current governance and leadership structure of Addis Ababa. Most of the problems of city are closely related to its governance and management structure. In particular, its multiple identity is crucial in this respect. It has generated a sense of divided loyalty within the leadership and policy-making body of the city. This in turn has meant that the problems of the community receive secondary attention. What is needed is a governance model that is primarily accountable to the electorate. The quality of public services delivered and the degree of responsiveness to the needs and problems of the general public are real tests of a committed urban leadership.

Like many cities in the developing world, Addis Ababa needs innovative urban management approaches to be able to ease the social and economic problems of its residents. Modern urban management in Ethiopia is a relatively recent experience. Ethiopia's first city, Addis Ababa, became a chartered urban authority in 1954 and the country as a whole has limited experience in effective urban governance. There

has been lack of continuity and an established tradition in urban administration largely caused by the politicization of urban management dating back to the days of Imperial Ethiopia. This has hampered the development and institutionalization of a management system responsive to the citizenry.

A key policy issue to reform the administration and governance of Addis Ababa is to depoliticize its management. Upward accountability to the government rather than to the electorate engenders lack of responsiveness to the needs and concerns of the public. This has been a persistent problem in Ethiopia since the days of the monarchy. Since urban leaders in Ethiopia view their roles as representatives of the central government, the people always get a raw deal in this power arrangement. The service concept is not well developed because both public servants and elected officials keep their positions by serving their political bosses rather than the people.

Amateurism has to give way to professional urban management in Ethiopia. Municipal management in Ethiopia has a long-standing tradition of bowing to the politics of the day and relegating the concerns and interests of the people to a secondary level. For too long, the dominance of politics in municipal management and the persistence of upward accountability have undermined the role of professional expertise in urban governance. Such phenomena have also discouraged the development and nurturing of professionalism in urban leadership and management across the country's cities and towns.

Finally, the aim of this paper is to stimulate public debate about policy options for city governance in Ethiopia. What adds weight to this suggestion is the fact that the current Ethiopian government has neglected urban management as a public policy concern. For too long, public policies in this country have been made by politicians without any input from the public. Informed public discussion on national issues is an important feature of democratic and participatory governance. The participation of the people in decision-making at all levels of government is a concrete manifestation of political *empowerment*.

Foot Notes:

¹ Asmara and Gondar were the other chartered cities at the time.

² The Constitution of the Regional State of Oromia uses the name 'Finfine' to refer to the City of Addis Ababa.

³The two documents are City Government of Addis Ababa, "*Addis Ababa in 4 Years: Plan, Performance and Problems* ", Addis Ababa: Brana Printing Enterprise, February, 1997, (Amharic); and "*Region 14 Administration: 5-Year Draft Program, 1998-2002* ", Addis Ababa: Brana Printing Enterprise, October 1998 (Amharic).

⁴At present, the Head of the city government of Addis Ababa serves as the chairman of the Management Board of the Addis Ababa Water Supply and Sewerage Authority. But, it is not clear whether this role will give the municipality any leverage to influence the supply and distribution of water in the city.

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