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Commentary

Securing Viable Peace between Eritrea and Ethiopia

1. Introduction

The sudden rapprochement between Eritrea and Ethiopia in mid-2018 was an unexpected but welcome development in the wake of the bitter, destructive and avoidable border war waged from 1998 to 2000, followed by about two decades of ‘no war, no peace’ ([link](#)). Achieving viable peace between Eritrea and Ethiopia is vital for their cooperative relations, respective development and mutual prosperity as well as for regional peace, security and stability.

Eritrea is strategically located at the nexus of the Horn of Africa (HoA) and the Arabian Peninsula. These two sub-regions are in a constant state of flux. The role of global actors and the dynamics and interplay of the unfolding regional developments exert a crucial impact on the prospects for viable peace between Eritrea and Ethiopia.

This commentary examines the implications of events following the rapprochement between Eritrea and Ethiopia for viable peace and contextualises the evolving Ethio-Eritrea relations within the geopolitical setting of the Red Sea Basin. Moreover, it scrutinises the current relationship between the two countries and the implications of the present state of play between Eritrea and Ethiopia, with particular emphasis on the imperative need to demarcate the Ethio-Eritrea boundary, respect Eritrea’s sovereignty, and establish rules-based State to State relations; the regional dynamics in the Horn of Africa; and the interplay between the Horn of Africa and the Arabian Peninsula.

The contemporary Red Sea littoral states in the HoA and the Arabian Peninsula, as well as their contiguous neighbours, share certain common features. In the main, these features include gross malgovernance, significant democratic deficit, and authoritarian rule under ‘strong man’ regimes. They are, for the most part, fragile states characterised by dysfunctional institutions, inefficient structures and profligate ruling elites. Flaunting the rule of law and lacking in effective legislative oversight, “strong men” with personalised power preside over societies with huge disparities in wealth and income, creating the anomalous coexistence of great affluence amidst extreme poverty. Needless to say, this state of affairs poses a dire threat to sustainable social peace and stability.

Peace, security and stability are regionally indivisible. Strife and insecurity in one country spill over into neighbouring countries. The geopolitics of the Red Sea Basin and the adjacent Nile Basin and Gulf Region are characterised by a complex conflict matrix whose multi-layered system of conflicts is marked by shifting alliances among the main local, national, regional and global players. This has driven the increasing militarisation of the Red Sea. The interplay of the historical Shia-Sunni divide and the contemporary Moslem-Brotherhood-Salafist rivalry, reinforced by each camp’s respective regional and global alignments, has intensified the competition between Egypt-Saudi Arabia-the United Arab Emirates (UAE), on one side, and Iran-Qatar-Turkey, on the other. The intricate mix of global and regional rivalry for hegemony, markets, resources, influence, ports as well as naval and military bases around the Red Sea - North Sudan, Eritrea, Djibouti, Somalia and Yemen - is being played out in the civil war in Yemen, the blockade of Qatar, the

manoeuvrings of regional and global powers in tiny Djibouti and beleaguered Somalia, and the peace deal between Eritrea and Ethiopia.

The Red Sea is endowed with significant, but yet to be developed, marine, oil and natural gas resources. Furthermore, it serves as a vital passage of international maritime trade and military logistics. Significantly, its strategic importance, in terms of economic and security calculus, has attracted the growing military and naval presence of the world's major powers, including the US, France, Germany, the UK, Japan and notably China, as of 2017. The apparent shift in American policy from the *war on terror* to strategic competition has added a new layer to the intricate regional conflict matrix and intensified the US-Chinese scramble for influence and potential markets, resources and investments in the Horn of Africa.

2. The Eritrea-Ethiopia Peace Deal

On 5 June 2018, Ethiopia's sudden announcement of its unconditional acceptance of and willingness to implement the delimitation and demarcation decisions of the Eritrea-Ethiopia Boundary Commission (EEBC) represented a welcome breakthrough, [ending 20 years of 'no war, no peace'](#) between the two countries. The subsequent visit of Ethiopia's Prime Minister Abiy Ahmed to Eritrea witnessed the signing of a [Joint Declaration of Peace and Friendship](#) between Eritrea and Ethiopia in Asmera on 9 July 2018.

The beginning of the rapprochement between Eritrea and Ethiopia was a promising step for the prospects of a viable peace between as well as within the two neighbouring countries. Within the time span of barely 5 weeks, there followed an abrupt and drastic change in their bilateral relationship from a protracted state of bitter hostility into a state of overzealous peace and friendship. Initially, the Eritrean people and Defence Forces and the friends of Eritrea worldwide warmly welcomed the *Joint Declaration of Peace and Friendship*.

In summary, the *Joint Declaration* committed the two countries to (1) end the state of war between them; (2) forge close political, social, cultural and security cooperation; (3) resume transportation, trade and communication links and diplomatic ties; (4) implement the decision on their international boundary; and (5) jointly endeavour to ensure regional peace, development and cooperation ([link to 'Commentary'](#)).

With excessive theatrics devoid of diplomatic norms, Ato Isaias Afewerki visited Addis Ababa and Hawassa in Ethiopia (14-16 July 2018), confirming the new rapprochement ([see 12:26-15:40](#)). The vindictive mindset manifest prior to and during the reciprocal visits to the respective capitals, as well as subsequent events, have signalled a mutual design to isolate, marginalise and vanquish a 'common enemy'. The fanfare bereft of normal protocol and the utterances unbecoming of a president of an independent country indicated treacherous intent that compromise national sovereignty and constitute a gross insult to the people and the State of Eritrea ([see 16:00-16:20](#)). Beyond Addis Ababa and Hawassa, the theatrics continued in Gondar and Bahr Dar, stoking grave concern among the Eritrean people. This concern has continued to heighten in the wake of similar events and actions that have taken place in the second half of 2018.

It is significant to note that no copy of the *Joint Declaration of Peace and Friendship* has been publicly shared. Only a short summary of the five points has been shared *via* the Eritrean regime's Ministry of Information website. Otherwise, the specific contents and commitments of the two parties remain unknown. Government ownership of the media and control of the message, the ban

on the private press and the arrest of journalists mean that information is transmitted *via* the heavily censored and only available national news outlet that experiences regular and deliberate black-outs. Trickle-down news is therefore the norm and concerned Eritrean citizens at home and in the Diaspora must consult foreign news outlets (especially online Ethiopian or international media sources) to keep somewhat in the loop about the fate of their own country and, on occasion, the authoritarian ruler's activities.

The obvious problem with this mode of transmission is the rapid spread of false information or fake news via '03', the regime's rumour mill, fostering confusion and causing difficulty in following events unfolding in Eritrea. For instance, deliberate misinformation released by an Eritrean Press social media account in July 2018 and was picked up by international news outlets announced the withdrawal of Ethiopian troops from the border ([link](#)). Despite the July 2018 *Joint Declaration of Peace and Friendship*, however, Ethiopian troops continue to occupy sovereign Eritrean territory in the borderlands.

2.1 The Necessity to Demarcate the Boundary

The unresolved issues of the border and status of the borderland population are among the biggest obstacles to genuine and viable peace ([link to 'Missing Facts'](#)). The interstate boundary between Eritrea and Ethiopia remains undemarcated and the withdrawal of Ethiopian troops from sovereign Eritrean territory has yet to happen. Nor is there an announced timeline for the demarcation of the boundary or the withdrawal of the Ethiopian army. ***As territory was used as the casus belli and the trigger for the 1998-2000 border war, it would be impossible to secure viable and sustainable peace without the withdrawal of Ethiopian troops from sovereign Eritrean territory and the demarcation of the international boundary between Eritrea and Ethiopia.***

On the occasion of the Ge'ez New Year, a calendar shared by the two countries, on 11 September 2018, the Muna crossing (Adi Grat-Zalambessa) in the central sector and Bure crossing in the eastern sector of the boundary were ceremoniously opened. The Mereb crossing (Rama-Kesad Eiya) was similarly opened a few days later. Transport links were restored at the Muna and Mereb crossings. All three border crossings were opened while the resolution of the disputed border remains pending. Barely 3 months later, Eritrea abruptly closed the two border crossings in the central sector on 28 December 2018 without any explanation as to the cause or the duration of the sudden closure while Ethiopia claimed to have no knowledge of the matter.

The border in the central and eastern sectors were opened without agreeing on and putting in place any rules and regulations. The Eritrean local authorities at the three junctions were not even informed; the spontaneous opening of the border crossings took them by surprise. The total lack of preparation and absence of the requisite immigration and customs formalities allowed the spontaneous two-way movement of people and commodities while the unannounced closure three months later brought it to a screeching halt. The sudden opening and closing of the border demonstrate one fundamental aspect of the fragility of the current peace deal and teach an essential lesson: an agreement that is not institutionalised and an act that is not rules-based can unravel anytime at whim.

The opening of the border after nearly two decades meant that some family and friends were joyfully reunited. There was, however, no preparation, safeguard or provision for protocol in place to ensure that the two-way crossings operated in line with the norms of a functional international border. The opening of the border in the absence of a rules-based trade and cross border mobility,

without customs or immigration regulations and checkpoints in place, created issues of chaotic currency exchanges and thousands of Eritrean citizens crossing and seeking asylum in Ethiopia ([link](#)).

Generally, the free flow of people, goods, capital and services is essential for economic development, shared prosperity and social progress between the two countries. However, agreed rules on commercial relations and terms of trade as well as functional institutions must be put in place to ensure a seamless soft border that fully respects the sovereignty of both countries. Otherwise, the relationship could inevitably degenerate and become unstable, unreliable and unsustainable ([link](#)). Worse still, it could even turn into a source of tension, conflict and even all-out war as was the case between Eritrea and Ethiopia in 1998.

A clearly demarcated boundary delimits the areas of respective sovereign authority or domestic jurisdiction of each state and defines the national identity or nationality and citizenship of the residents in the borderlands. It also determines which state provides essential administrative, security and social services to the relevant populations. Otherwise, the claim by the leaders of both Eritrea and Ethiopia that the boundary has no significance can only reflect either crass ignorance or hide a dangerous conspiracy.

Bilateral economic cooperation between Eritrea and Ethiopia is essential and commendable. It must, however, generate mutual benefit. There exist considerable similarities in the general economic condition of the two countries. Nevertheless, there also exists visible asymmetry in the state and significant difference in the trajectory of the two economies. Comparative Gross Domestic Product (GDP) data for the two countries over the last two decades indicate that the Ethiopian economy has been growing steadily while the Eritrean economy has been declining steadily. Besides, Eritrean entrepreneurs have been squeezed out of the private sector and forced to do business outside the country while their Ethiopian counterparts have been thriving in their own home country. Furthermore, there have developed great disparities in technical, professional and managerial capacity in the respective business elites as well as in the state of play in certain specific sectors.

Constant harassment, arbitrary detentions, withdrawal of licenses and closure of businesses have forced most of Eritrea's professional and entrepreneurial class out of the country. Burdened by gross mismanagement and rampant corruption, the economy is in shambles. This stark reality places the State of Eritrea, the Eritrean people, the Eritrean government and Eritrean entrepreneurs at a huge disadvantage vis-à-vis their relatively better positioned Ethiopian counterparts. Given these circumstances and the incomparable domestic realities in Eritrea and Ethiopia, close bilateral cooperation in the various specified economic spheres would yield substantially disproportionate benefits for the two countries and peoples.

Beyond the crucial absence of the rule of law and the exercise of malgovernance with impunity, Eritrea lacks even a nominal parliament and functional institutions in both the public and the private sectors. There is neither accountability nor transparency in public finances. The regime operates without a declared regular budget and provides no information regarding its revenues and expenditures or receipts from international aid donors. Even the whereabouts of the annual revenues from the highly lucrative mining sector are unknown.

Eritrea is a closed polity, economy and society reeling under the monopoly of a defunct ruling Front and the command of an erratic authoritarian ruler. There is thus an urgent need to lift the

prevailing state of economic suffocation, political paralysis and societal disruption to unleash the creative energy and productive potential of the Eritrean people. This would enable the State of Eritrea, the Eritrean people and Eritrean enterprise to reap comparable benefits from close political, economic, social, cultural and security cooperation with Ethiopia.

2.2 The Imperative for State to State Relations

The sudden closure of the two border crossings in the central sector aptly illustrates the imperative for State to State rather than person to person relations. While the two border crossings in the central sector remained closed, the Omhajer-Humera border crossing in the western sector was ceremoniously, if somewhat farcically, opened on 7 January 2019. This crossing was opened yet again without (1) the establishment of formal institutional structures and (2) the resolution of the underlying issues regarding the boundary dispute. In this context, it is quite likely a matter of time before the crossing could be closed again.

There are no functional institutional structures or legal mechanisms in Eritrea to scrutinise and ratify international agreements and guarantee abiding commitment. Nor forums to debate national policy. Even the Constitution of Eritrea, which was duly ratified by a Constituent Assembly in 1997, has been deliberately unimplemented ([link](#)). The Eritrean National Assembly has been suspended, with a majority of its members either in jail or in exile.

Once again, Eri-Platform reiterates its [often stated concern](#) that the *dependence* of the relationship between Eritrea and Ethiopia, in general, and the *Joint Declaration of Peace and Friendship between Eritrea and Ethiopia*, in particular, *solely* on Mr. Isaias' *whims, interests and personal agenda is very precarious*. Unless institutionalised, the risk of its unravelling bears the *possibility of undermining viable peace between the two countries*.

At the same time, Ethiopia's commitment to peace with an independent sovereign State of Eritrea also calls for scrutiny. The unsteady domestic political landscape and the rising rhetoric of expansionist ambitions over Eritrea, repeated ad nauseum by the hitherto vanquished forces, provide reason for concern. Fierce internal rivalries and contestations are escalating political and ethnic tensions and violence, slowly hacking away at the foundations of the region's largest and most populous country. Rising issues of ethnic identity, boundary disputes between adjacent regional states and ethnic violence are stoking domestic instability and creating a rapidly growing population of internally displaced persons (IDPs), currently estimated at 3 million. The situation is exacerbated by the presence of about 850,000 refugees from Somalia, South Sudan and Eritrea, fleeing political repression, civil war, extreme poverty and severe environmental degradation. Furthermore, uncertainty looms over the potential repercussions of Ethiopia's planned elections in 2020.

Viable peace between Eritrea and Ethiopia thus chiefly depends on their respective domestic social peace and stability. At the same time, interstate relations must be institutionalised on the basis of reciprocal respect for each other's national sovereignty, territorial integrity and non-interference in each other's internal affairs and matters of absolute prerogative. Fundamentally, viable peace between Eritrea and Ethiopia requires normal *State to State* relations that are rules-based, institutionalised and transparent. Otherwise, there lurks an inherent danger in the personalisation of interstate relations. Such was the case between Eritrea and Ethiopia from 1991 to 1998, and the peoples of Eritrea and Ethiopia have paid very dearly for it. When their personal relations soured, Ato Isaias Afewerki and Ato Meles Zenawi plunged Eritrea and Ethiopia into an unnecessary,

avoidable and destructive war, with the resultant state of hostility persisting for 20 full years. We should not let history repeat itself. Undoubtedly, rules-based, institutionalised and transparent State to State relations are absolutely imperative for sustainable peace between Eritrea and Ethiopia.

2.3 The Imperative of Respect for Sovereignty

The issue of sovereignty has been at the core of the troubled history of the relationship between Eritrea and Ethiopia. The total defeat of the Ethiopian occupation army and the brilliant victory of the Eritrean people's 30-year protracted armed struggle that achieved Eritrea's liberation in 1991 and subsequent independence in 1993 had definitively resolved "the longstanding antagonism between legitimate Eritrean aspirations for self-determination and sovereign statehood, on the one hand, and expansionist Ethiopian ambitions for territorial aggrandisement and political hegemony, on the other" (Eritrea at a Crossroads, pp. 334-335). Eritrea's hard-won liberation and sovereign independence heralded, in no uncertain terms, the resolution of the historical Ethio-Eritrean antagonism and the advent of 'a new era of durable peace and cooperation between a free Eritrea and a democratic Ethiopia'.¹

Nearly 30 years post Eritrea's independence, it seems that several Ethiopian politicians, including the highest officials of the current government, have yet to reconcile themselves with the reality that Eritrea is an independent sovereign State, and that it is here to stay. They are constantly invoking the myth of '3,000 years' of a contrived singular historical narrative and the associated legend of a 'Solomonic dynasty' to prop up the claim of 'Great Ethiopia'- an Ethiopia (unlike Abyssinia) that, in fact, came into existence only with the European scramble for Africa. Ethiopian revanchist ambitions, encouraged by the active and quite open complicity of Ato Isaias, are manifest in the apparent revival of the expansionist narrative of 'Great Ethiopia'. Instances include the talk of building an Ethiopian navy and the 'return' of Eritrea as Ethiopia's Red Sea littoral; the incorporation of Eritrea in the political map of Ethiopia displayed in public gatherings and shared online by an Ethiopian embassy; the announcement on an international platform of having one army, one embassy and one currency for Eritrea, Ethiopia and Djibouti; Ethiopia's signing for the construction of an oil pipeline from Asseb to Addis Ababa with the UAE and agreeing to construct a railway from Massawa to Addis Ababa with Italy, all without any Eritrean representation; etc ([link](#)).

The revival of Ethiopia's expansionist ambitions and related activities that incrementally erode Eritrea's sovereignty, with the endorsement and apparent collusion of the Eritrean regime ([link](#)), have aroused serious concerns among the Eritrean people as to the intended endgame... The purposeful blurring of Eritrea's sovereign rights in the ongoing informal approach to the vital issues of the boundary, national security, information, interstate trade, finance and foreign affairs by the two leaders is absolutely unacceptable and unsustainable. Ethiopian machinations aside, the ongoing state of affairs exposes the total bankruptcy, gross incompetence and brazen treachery of the Eritrean regime. Unless foiled, the regime, which has long imposed its abusive authoritarian rule on the country, is now bent on the ultimate betrayal of the Eritrean people and the selling out of Eritrea's sovereignty. All this is being done by an unconstitutional regime that has ruled Eritrea

¹ Welde Giorgis, Andebrhan (the author), *Commentary: Border and Territorial Conflicts between Eritrea and Ethiopia: Background, Facts and Prospects*, Eritrean Studies Review, Vol.4 No. 1, 2004.

without the consent of the people since the legal expiration of its transitional mandate in 1997 ([link to 'Commentary'](#)).

3. Dynamics in the Horn of Africa (HoA)

With the prevalence of uncertainty in Eritrea and instability in Ethiopia, the *status quo* of 'peace' between the two countries lacks the essential features to endure and withstand the elemental forces at play within the two countries and in the wider region of the Horn of Africa. The potential threat of a regional spill over in tensions, conflicts or violence within and between Eritrea and Ethiopia would be catastrophic, given their respective weaknesses and the extreme fragility of the neighbouring states. As Ethiopia alone has a population of about 110 million, these fragile states would be unable or hard pressed to absorb the shock generated by the flow of large numbers of refugees and displaced persons.

The gross, widespread and systematic violations of human rights, aggravated by economic hardship and indefinite national service, has been driving Eritreans, especially the youth, to flee the country in droves at great risk to their lives: falling victim to human trafficking and slavery in North Africa; organ harvesting in the Sinai; death in the Sahara Desert; or drowning in the Mediterranean and Red Seas ([link to 'Securitisation'](#)).

It is also necessary to factor in the new regional dynamics between Eritrea, Ethiopia and Somalia. The three countries have openly expressed an interest in improving relations and moving towards integration. Their leaders had announced a series of Tripartite Summits. The first summit was held in Asmara, Eritrea, on September 2018; the second in Gondar, Ethiopia, on November 2018; and the third in Mogadishu, Somalia, on December 2018. However, the third Tripartite Summit in Mogadishu proceeded with only the leaders of Somalia and Eritrea and the conspicuous absence of the prime minister of Ethiopia.

The 'elephant in the room' in these summits is Djibouti, which has been excluded. Two main factors seem to account for its exclusion. The first is China's construction of a military base in Djibouti in 2017, to the dismay of already established global and regional players, notably the US. Located in close proximity to that of the US, the new military base serves as a strategic nexus to reinforce China's burgeoning influence in Africa and support its 'One Belt, One Road' initiative. In addition, China has entered a lucrative partnership to develop a 'free trade zone' worth US\$3.5 billion in Djibouti. The second factor is the Djiboutian government's seizure of the UAE-controlled port terminal in February 2018. These two factors have soured Djibouti's relations with the US and the UAE. With US backing, the UAE and Saudi Arabia acted as key peace-makers between Eritrea and Ethiopia. The rapprochement opens an invaluable opportunity for landlocked Ethiopia to diversify its port access and reduce its reliance on Djibouti for about 95% of its foreign trade, accounting for over US\$ 1 billion in port fees, a potentially sizable loss for Djibouti and major gain for Eritrea going forward.

The Ethio-Eritrean rapprochement was followed by the removal of UN sanctions on Eritrea. The UN Security Council had imposed sanctions on Eritrea on 23 December 2009 on account of (1) the Eritrean government's refusal to acknowledge and engage to address the border dispute with Djibouti and (2) allegations of the government's support to Somalia's *Harakat al-Shabaab al-Mujahideen* ([link to 'Commentary'](#)). On 1 August 2018, responding to the shift in regional dynamics and the calls by Ethiopia and Somalia to lift sanctions on Eritrea, Djibouti issued a statement declaring that '*...it is unacceptable to see our brotherly Somalia supporting Eritrea*

which is occupying part of our territory and still denying having Djiboutian prisoners’ and recalling that ‘Djibouti has suffered and paid a heavy price of losing its brave men and women in the fight between Eritrea and Djibouti’ and ‘still have a standing issue of the border.’

It is quite probable that the Government of Eritrea could have avoided the initial imposition of the UN sanctions by adhering to domestic rule of law and pursuing proactive diplomatic engagement ([link to ‘Commentary’](#)). Mr. Isaias' repressive response to the legitimate criticism of his increasingly autocratic style of leadership, government by impulse, and mismanagement of the affairs of state violated rule of law, inflicted systemic damage on the Eritrean body politic and paved the way to the gradual isolation of the country at the regional and international levels. Not mindful of the potential impact, the regime suspended Eritrea's membership in the Inter-Governmental Authority on Development (IGAD) and the African Union (AU) as an act of protest ([link to ‘Commentary’](#)). The suspension achieved merely the closure of the main channels for dialogue and forums from which to pursue or defend Eritrea's national interest, thereby facilitating its slide to self-isolation. Furthermore, Eritrea's increasingly hapless regime had, to its discredit, failed to effectively refute the allegations of support for terrorist groups or positively respond to the overtures of the US, the EU and friendly EU Member States to reengage.

4. The Interplay between the HoA and the Arabian Peninsula

The chain of events and developments in the Horn of Africa following the Ethio-Eritrean rapprochement gave rise to optimism and hope for a peaceful future in the region. The rapidly changing dynamics saw a change in Djibouti's stance from opposition to approval of the lifting of sanctions. Eritrea and Djibouti announced the restoration of diplomatic ties on 6 September 2018 and normalised relations following the meeting of their leaders in Saudi Arabia on 17 September 2018, a day after the signing of the Jeddah peace pact by the leaders of Eritrea and Ethiopia on 16 September 2018. Eritrea's participation in these events and normalisation of relations with its neighbours, in general, and rapprochement with Ethiopia, in particular, helped lift the UN sanctions on 15 November 2018.

The dynamics in the Arabian Peninsula, including the war in Yemen and the blockade of Qatar, in the context of intensifying regional rivalry between Iran and Saudi Arabia, has become of increasing concern. The unfolding events have drawn in actors from the wider Middle East and North East Africa, such as Egypt, Turkey and the UAE, into the Horn of Africa, each pursuing its own agenda centred on its strategic interest. The resultant shift in the alignment of forces and the involvement, whether direct or indirect, of the countries of the Horn of Africa in the ongoing conflict complicates the regional conflict matrix.

The prominent roles of Saudi Arabia and the United Arab Emirates, backed by US policy interests, in engineering the rapprochement between Eritrea and Ethiopia should neither be overstated nor overlooked. The UAE's role was quite apparent both before and after Ethiopia's declaration of unconditional acceptance of the boundary decision on 5 June 2018. A few days after its declaration, for instance, Ethiopia received an UAE pledge of US\$3 billion in grants and loans, injecting desperately needed foreign exchange. Concurrently, Ethiopia and Egypt, a close ally of Saudi Arabia and the UAE, agreed to sort out their differences over the construction of Ethiopia's Grand Renaissance Dam on the Blue Nile. Subsequently, Ethiopia announced a significant delay in the initial completion date, allaying Egypt's concerns.

The influence of Saudi Arabia and the UAE in the Horn of Africa is growing while Eritrea and Ethiopia are being drawn deeper into the unfolding dynamics in the Arabian Peninsula. For instance, Eritrea serves as a strategic base for the Saudi-led coalition in the war in Yemen and, reportedly, provides troops, receiving fuel and financial aid in return. The UAE maintains a large naval presence and conducts extensive military activities in Eritrea's southern port of Asseb. It is quite apparent that Eritrea and Ethiopia are increasingly being drawn deeper into the affairs and conflicts of the Arabian Peninsula.

5. Conclusion

Eritrea and Ethiopia used territorial sovereignty as the *casus belli* and border as the trigger for the devastating war of 1998-2000. Sustainable peace between the two countries requires therefore a definitive resolution of the territorial issue through the expeditious demarcation of the boundary and the immediate withdrawal of Ethiopian troops from sovereign Eritrean territory. With the agreement of both parties, the anomalies inherent in the decisions of the Eritrea-Ethiopia Boundary Commission could be rectified during the demarcation process via consultation with the local populations in the affected borderlands. Land in Eritrea belongs to the village community. Each village knows the limits of its land; each farmer in the village knows the limits of his farm fields. Without demarcation, the *status quo* of nominal peace is untenable. There can be no viable peace without the withdrawal of the Ethiopian army, the demarcation of the boundary and the return of normalcy to the borderland populations.

The complex conflict matrix in the Red Sea Basin and the multiple layers overlapping it pose a serious geopolitical challenge for peace, security and stability in the region, in general, and for viable peace between Eritrea and Ethiopia, in particular. More fundamentally, sustainable peace requires that both countries address their respective domestic challenges.

Eritrea is stagnant, characterised by a rapidly deteriorating domestic situation. The government is very fragile, and its institutions are dysfunctional. Time is running out for the 'strong man' regime of authoritarian rule, malgovernance, brutal repression and rampant corruption. The rule of men with personalised power perpetrating gross abuses with impunity, and the attendant extreme poverty, inevitably come to an end. The people are demanding rule of law, freedom, democracy and justice. They want accountable and responsive governance capable of delivery of a better life, security and access to bread, water, shelter, electricity, etc.

Despite the hard resistance of the 'deep state', Ethiopia is undergoing rapid and significant democratic reforms. The pains of transition are, however, stoking an unstable political landscape that is descending ever deeper into inter-ethnic rivalries, internecine strife, tensions and violence. There hovers a real risk of political implosion, with potentially devastating domestic consequences and disastrous regional repercussions.

Eritrea and Ethiopia should base their relations and conduct their affairs as two independent sovereign States. This is an existential imperative for Eritrea, in particular. Even then, it would be extremely difficult for both countries to manoeuvre in and successfully navigate the byzantine labyrinth of the complex, overlapping and layered conflict systems prevailing in the Horn of Africa and the Arabian Peninsula. To be able to do so, sustain and implement the peace deal and move towards gradual political cooperation and economic integration, Eritrea and Ethiopia must make their transaction rules-based and institutionalise their relations.

Opaque personalised deals must be superseded by transparent State to State agreements. More fundamentally, Eritrea must urgently undertake democratic reforms while Ethiopia must stabilise its internal situation, and both states must build robust institutions, in order to effectively overcome their respective internal challenges and countervail the destabilising impact of external pressures. Then and only then would it be possible to secure the peace, pursue shared strategic interests and proceed towards bilateral and regional political cooperation and economic integration in the search for common prosperity.