Ethiopia’s Challenge to Egyptian Hegemony in the Nile River Basin: The Case of the Grand Ethiopian Renaissance Dam

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ABSTRACT

Home to more than 160 million people, the Nile River Basin has become one of the hotspots of the global quest for food, water and energy security. Moving closer to its completion, the Grand Ethiopian Renaissance Dam (GERD) highlights the interplay between the food, water, and energy sectors and their implications on geopolitical power relations in the region. Despite Ethiopia having the highest volumetric contribution to the Nile river flow, Egypt has maintained hydro-hegemony over the basin for several decades on the basis of historical claims and colonial agreements. Egypt has stated that its volumetric share of the Nile’s water is not sufficient to sustain its growing population, declaring water availability a matter of national security. However, for Ethiopia, the GERD represents a crucial moment in its development agenda, acting as both a counterhegemonic power play, as well as a means to improving the hydropower capacity of the country, and ensuring future food security. This paper explores the various hegemonic and counter-hegemonic strategies employed by Egypt and Ethiopia respectively, highlighting the various ways in which food, water, and energy concerns are intrinsic components of the asymmetric power configurations of the Nile River Basin. By navigating the debate surrounding the GERD, this paper highlights the necessity of incorporating the food, water, and energy nexus into studies of hydro-hegemony and counter-hegemony. This allows the future policy direction for nexus management and governance in the Nile River Basin to move beyond benefit sharing, instead steering towards power sharing.

INTRODUCTION

At the global level, competition over scarce land, water, and energy resources has increased substantially in the course of the past three decades. One of the hotspots of the global quest for food, water, and energy concerns is the Nile River Basin, accessed by ten riparian states including Egypt, Sudan, and Ethiopia (Figure 1). The construction of the Grand Ethiopian Renaissance Dam (GERD), soon to be Ethiopia’s first hydroelectric dam on the Blue Nile, is a useful case study highlighting the interconnections between these concerns and the fluidity of hegemony in the region.

![Figure 1. Nile River Basin.](image-url)
The decision to construct the GERD was announced only a few months before the deposal of former President of Egypt Hosni Mubarak in February 2011. With a total estimated cost of around US$5 billion (80 billion Ethiopian birr), the GERD is set to be one of the largest dams to have been constructed in Africa. The Italian construction company, *Salini*, has been contracted to build the dam by 2017 under the management of Ethiopian military-run Metals and Engineering Corporation (METEC). It aims to produce a reservoir with a volume of more than 63 million cubic meters, approximately 1.3 times the annual flow amount of the Blue Nile.\(^1\) Generating an estimated 6,000 megawatts of hydroelectric power, it is expected to raise the national power supply to three times Ethiopia’s current capacity. Egypt claims the dam will cause significant harm to its water supply from the Nile, which is its only source of freshwater. These claims come despite the 2013 International Panel of Experts’ – made up of ten members, two from each of the three states and four international – impact assessment, which claimed that Egypt would in fact incur multiple benefits, including increases in irrigated area, decreases in sedimentation at Lake Nasser, and reduction in flooding.\(^2\) The main adverse impact was a predicted reduction in energy generation at HAD due to a decrease in Lake Nasser’s water levels.\(^3\) The claim Egypt holds over the Nile River dates back about 5000 years and its first challenge can be traced as far back as the twelfth century when the Ethiopian emperor Amda Syon threatened to divert the waters unless the persecution of Coptic Christians ceased.\(^4\) Though now independent, Egypt often defers to its British colonial legacy (1882–1952) as legal precedence for its hegemony.\(^5\) Britain signed two treaties on the utilisation of Nile waters.\(^6\) The first was signed between Ethiopia and Britain in 1902, but it was never ratified by Ethiopia due to variations in meaning between the English and Amharic versions. The second was the 1929 treaty between Egypt and Anglo-Egyptian Sudan, which gave Egypt control over the Nile during the dry season and veto power on upper riparian projects without any consultation with Ethiopia. It was allocated 48 billion cubic metres (bcm) of water annually compared to Sudan’s 4 bcm. The 1959 treaty signed between Sudan and Egypt re-established Egypt’s annual water allocations to 255.5 bcm and 18.5 bcm to Sudan.\(^7\) As a result of these seemingly bilateral agreements, Egypt has
sustained hegemony based on what it deemed ‘historical rights’, preventing upstream riparian countries from developing infrastructure for their water resources. Despite being involved alongside nine other riparian states in the Nile Basin Initiative (NBI), instigated in 1999, which emphasises equitable water and benefit sharing, Egypt still considers the 1959 treaty non-negotiable. It has thus opposed the ratification of the Nile Basin Cooperative Framework Agreement (CFA) – an initiative started by Ethiopia in 2010 and backed by other upstream riparian states to support a more collaborative management and development of the Nile Basin water resources – on the basis of its rejection of historical agreements.

Although Egypt has been the hegemon of the Nile River Basin for at least the last century, the position of power it enjoys should be seen as fluid and dynamic. There are a number of push and pull of factors that need to be considered given Ethiopia’s deployment of a variety of counter-hegemonic mechanisms and the shifting allegiances since 2010. One such example is that of Sudan, an important actor in the geopolitical power play. Despite traditionally being an ally of Egypt, there has been a recent shift in loyalty towards Ethiopia. It could be argued that Egypt’s relative political instability following the 25 January revolution has little to offer Sudan, which following the independence of South Sudan in July 2011 lost access to 28 million hectares of arable land. Ethiopia, in contrast, has contributed to increased land available for cultivation, increased number of crop rotations, and increased supply of cheap power. It has also mediated between Sudan and the newly independent South Sudan by providing 5,000 peacekeepers in Darfur under UN command, as well as 4,300 along the border between Sudan and South Sudan. Because both Sudan and Ethiopia are pursuing transformations of their rural development strategies, there is an added degree of ease to the convergence of their interests. Such apparent cooperation necessitates further interrogation, however, the instable political context surrounding Sudan and South Sudan requires a detailed investigation that extends beyond the scope of this paper.

Ethiopia’s tumultuous history, marked with different authoritarian regimes, ethnic tensions, and failure to deliver much needed development to its people, meant there was little
transformative contestation of Egypt’s hegemony—up until recently.\textsuperscript{15} The concept of hydro-hegemony proposed by Zeitoun and Warner (2006) is a particularly useful starting point for understanding and locating the power relations present in contemporary hydro-politics in the Nile River Basin within the wider spectrum of food, water, and energy concerns of the region.\textsuperscript{16} Understanding these power relations allows development scholars and practitioners alike to identify the various ways in which actors manipulate and employ various strategies in order to maintain or challenge hegemony. The first section of this paper briefly introduces the conceptual frameworks of hydro-hegemony and nexus governance, followed by an examination of the three main dimensions where “consent and contest co-exist”\textsuperscript{17} in the debate surrounding the GERD: discourse, resource capture, and alliances. The paper will conclude with a discussion of the utility of an analysis of power in terms of future policy directions for nexus governance in the Nile River Basin.

**CONCEPTUAL FRAMEWORK**

The management of transboundary watercourses or ‘hydro-diplomacy’\textsuperscript{18} is highly politicised, playing a huge role in regional stability and international governance. According to Pohl (2014), hydro-diplomacy requires “facilitating the containment and resolution of conflicts in the short term, managing resources so that conflicts are avoided in the long term, and harnessing the water cooperation mechanisms for the purpose of stronger regional integration”.\textsuperscript{19} At an international meeting discussing hydro-diplomacy, Ganesh Pangare explained it is “a tool for states to balance interests related to national sovereignty while strengthening regional cooperation with countries sharing common resources”.\textsuperscript{20} Thus far, the main mechanism for achieving these goals has largely been dependent on multilateral treaties, agreements, and coalitions. The most prominent at the international level is the 1997 UN Convention on the Law of the Non-Navigational Uses of International Watercourses. This convention, having come into force in August 2014, was an attempt to set out norms around basin-specific agreements, particularly stipulating equitable and reasonable utilisation of
shared watercourse, mutual benefit, an obligation to avoid significant harm to the other riparian’s interest, and peaceful settlement of disputes. Cooperation is, therefore, deemed the ultimate good in diplomatic transboundary water management.

Underlying the prevailing conception of hydro-diplomacy is an acceptance of cooperation as a necessary good for the diplomatic management of transboundary waterways. There is a rich body of scholarship that recognises continuities and contradictions within the process of hydro diplomacy over transboundary waterways in terms of evolving historical, economic, and political conditions, as well as the coexistence of cooperation and conflict. However, like Zeitoun and Mirumachi (2008), this paper argues that understandings of cooperation and even conflict are still overwhelmingly one-dimensional. There is little account for the capacity for the manipulation and/or exploitation of mechanisms of cooperation, nor does it appreciate the complicated nature of geopolitical power relations and structures governing how these mechanisms are imagined, pursued, and enacted. It also renders invisible alternative non-conventional mechanisms that are mobilised by riparian states to promote their interests. Therefore, assuming that mechanisms for cooperation amount to an equitable balancing of interests has a somewhat depoliticising effect. It is more useful therefore that cooperation and conflict are complicated in terms of power, which does not necessarily rule out treaties, agreements, and coalitions, but does require them not be accepted at face value.

This paper’s analysis of the GERD case is centred on power and instead explores instead how hegemonic power might be exerted or challenged. Zeitoun and Warner’s (2006) hydro-hegemony framework is useful here. Drawing on Gramsci’s (1971) definition of hegemony, they assert that political power is determined by perceived intellectual and moral leadership, accepted authority, or apparent consensus and does not necessarily rely on armed force or coercion. Tawfik (2015) maintains that this means that “power, rather than international law, riparian position, or even the availability of water resource, is the primary explanation of the outcomes of these interactions”. Zeitoun and Warner describe four hegemonic-compliance mechanisms, the most powerful of which is discursive knowledge construction, which
“persuade subordinate actors to accept not just the hegemon’s authority, but to adopt and internalise its values and norms intended to impose one solution over others” – also referred to as sanctioned discourse. Other mechanisms can be: a) coercive (threatening or using force, covert destabilisation, or diplomatic pressure), b) utilitarian (offering incentives), or c) normative (signing treaties protecting the hegemonic position). Positively, hydro-hegemony can allow for benefit sharing or, negatively, can involve oppressive control geared towards resource capture.

Such a framework also recognises the spectrum of power. Non-hegemons can renegotiate and resist hegemony through agenda setting and discursive tools, including recourse to morality and international law, de-securitisation, linking to other development issues, economic development, alternative funding sources, and alliance building. Cascão’s study of Ethiopia’s counter-strategies to challenge Egypt’s hegemony over the Nile River Basin highlights seven mechanisms in particular: reactive diplomacy, active diplomacy, cooperation, mobilising international funding, constructing expertise-based knowledge and discourse alternatives, and appealing to legal principles. Integrating Zeitoun and Warner’s hegemonic-compliance mechanisms with Cascão’s counter-strategies, this paper is organised around three main junctures: discourse, resource capture, and alliances building.

The nexus approach to water, food, and energy – first identified by several organisations including the World Economic Forum and the Bonn 2011 Nexus conference – highlighted the need to incorporate understanding of the interconnections between water, food, and energy into development responses. The nexus approach is premised on three guiding principles – investing to sustain ecosystem services, creating more with less, and accelerating access to integrate the poor – that promise to increase resource use efficiency, address externalities in each sector, and create avenues for sharing benefits equitably. According to the Food and Agriculture Organisation of the United Nations (FAO), it “forces us to think of the impacts a decision in one sector can have not only on that sector, but on others. Anticipating potential trade-offs and synergies, we can then design, appraise and prioritise response options that are
viable across different sectors”. The nexus approach has thus emerged as an important conceptual framework for identifying new modes of integrated cross-sectoral management and governance to support sustainable development processes.

While the contributions of several scholars on the topic of hydro-hegemony have transformed the debates surrounding water security, our paper aims to highlight the need to develop the concept of hydro-hegemony beyond just water to complicate the links between water, food, and energy concerns in terms of (counter)-hegemonic power relations, and their implications on management and governance approach. Combining (counter)-hegemony and the nexus approaches can reveal that power is both relational and fluid, ultimately contributing to developing the effectiveness and efficiency of approaches to transboundary water management. It promotes an avoidance of unproductive fixations on ‘reconciliation’ to avoid militaristic ‘water wars,’ which can inadvertently conceal the negative effects of asymmetrical power relations and encourage injustice and inequity to persist. In addition, recognising the strategies for maintaining or challenging hegemony, which may be couched within conventional and otherwise accepted mechanisms for cooperation, is imperative to enabling approaches to transboundary water management that target them based on their usefulness for stabilising geopolitical power relations. Ultimately, it allows for more effective management and governance that crosses sectors and borders.

This study carried out a review of accessible Ethiopian and Egyptian media sources, government reports, and academic literature from the period of 2010 to 2015, in order to reveal the discursive tools, resource capture and alliance-building that initially surrounded the construction of the GERD. Arabic language Daily News Egypt and Ahram, and English language Mada Masr were narrowed down as the primary Egyptian media sources, alongside the Ethiopian Herald, New Business Ethiopia and HornAffairs as the Ethiopian media sources, due to their relative online popularity and accessibility from either a keyword search in the Google search engine or the search function of the media source’s website. Data was analysed inductively, following a close reading, into thematic categories. There were certain
limitations to a desk-based approach to this research. Neither of the authors has the language skills to read Amharic media sources, and accessing English language Ethiopian media online is increasingly difficult, a result of the heavy state restrictions on internet use. As such internal Ethiopian discourses could not be represented in this paper. The Ethiopian Ministry of Foreign Affairs website, which purportedly publishes official government press statements, was consistently down during the course of this research. This meant that sources were sometimes Western secondary sources quoting Ethiopian ministry officials.

**THE POWER OF DISCOURSE**

Tracing back as far as Albert Hirschmann’s (1967) seminal work *Development Projects Observed*, there has been a growing understanding that development policies are founded on certain reductionist assumptions about the problems the interventions are to address and the approaches that need to be taken. Narratives within development discourses are therefore not seen as neutral, but rather as deeply implicated in framing and problematising certain issues in a way that legitimises interventions. The construction of discursive truths is thus an undoubtedly powerful tool for legitimising hegemonic status quo, but can just as equally act as a deconstructive force to the status quo. The hegemon thus establishes the allusion of reasonable common sense and on the flipside renders the non-hegemonic actor as the aggressor. This idea is best understood as ‘sanctioned discourse,’ whereby the terms of the discussion are heavily restricted and imposed by the hegemon. Discussion outside of these discursive confines then becomes a process of ‘denying reality’ on the part of the counter-hegemon whose truths remain reactive rather than proactive.

This section will look at various discursive hegemonic compliance mechanisms, employed by Egypt, followed by the counter-hegemonic discursive strategies employed by Ethiopia. First, a brief outline of the GERD timeline is given to orientate the reader with the discussion that follows. Ethiopia first announced the completion of plans for the dam in November 2010. However, in March 2011, after international backers required an agreement between the
riparian states before agreeing to fund the project, Ethiopia decided to self-fund the project and awarded the contract to Italian firm *Salini*. The following year on July 14, 2012, then Egyptian president Mohamed Morsi visited Ethiopia for negotiations – marking the first time visit of an Egyptian leader since a failed assassination attempt on Hosni Mubarak 17 years prior. After Morsi’s own political demise, negotiations resumed in Khartoum in November 2013, followed by another round in January 2014. These negotiations were declared to have failed by Egypt’s Irrigation Ministry on February 10, 2014. Two days later, Ethiopia’s Foreign Affairs Ministry refused to halt construction, to which Khaled Wassef, Egyptian Minister for Irrigation and Water Resources, stated Egypt would take the international route to challenging the dam. Following months of back and forth, President Sisi met Ethiopian minister during the African Summit to discuss the GERD on June 26, 2014. A report released by an international commission, which included representatives from Egypt, Ethiopia, and Sudan, in August 2014, found the GERD would have minimal impact on Egypt’s water access.

**EGYPT: PROTECTING HEGEMONY**

Egypt’s 25 January revolution in 2011 and the subsequent volatility of domestic politics served as a critical window of opportunity for Ethiopia’s plans for hydro-electricity development. In an attempt to maintain its position as the reigning hegemon of the Nile River Basin, as well as salvaging the trust of domestic audiences, Egypt has since deployed a number of discursive hegemonic-compliance mechanisms. Three main themes emerged, bread rights and national security, God-given rights, and nationalist austerity, each aligning with a stage of the post-revolution political transitioning.

The immediate post-revolution period (February 2011- June 2012) appealed to lingering revolutionary sentiment through bridging a relationship between Egypt’s water poverty and its influence on the availability of food, often referencing the ‘right to food’.

In addition, the narrative of national security and domestic instability was a frequent background to the
GERD debate. Securitisation propels an issue into being a national security concern, allowing the state to take exceptional measures in response. This tactic allows politicians to hold the monopoly over water-related knowledge construction, dictating the national conversation and diverting the public’s attention away from domestic issues – which has been referred to as sanctioning discourse. Symbolic references to cooperation in the negotiation process also served as a means of negating Ethiopia’s rebuttals or contestation by appearing to be reasonable and open-minded to the international community and other riparian states. However, because the GERD announcement was made during a period of political instability in Egypt, the official responses were not as frequent as over the following years when Egypt’s political situation became more stable.

During the period of the government of the Muslim Brotherhood under President Morsi (June 2012-June 2013), the rights discourses invoked by Egypt became defined as God-given rights. The involvement of conservative religious institutions gave way to a language of intimidation, using notions of “water jihad” and retribution, where protecting Egypt’s water rights were portrayed as central to Islam. Images of the Nile as the historical and present lifeblood of Egypt were also reinforced with assertions of Egypt’s more civilised past. The securitisation of water poverty was again asserted through a narrative constructing Ethiopia as having ‘evil’ motives to endanger and destabilise Egypt, emphasising particularly the relationship between Ethiopia-Israel. This narrative played on genuine domestic concerns regarding the country’s political stability post-25 January revolution. In one particular example, then-President Morsi was caught on national television along with other high position officials detailing plans to subvert the GERD construction, including potential intervention in Ethiopia’s internal politics, which he alleged was connected to the ‘enemies’ of Egypt, the United States and Israel.

Under President Sisi’s leadership (from June 2013 onwards), the tone of nationalist rhetoric changed again, appealing to self-restraint for the love of the nation and self-sufficiency and endurance during these times of economic hardship were consistent themes. By creating a
backdrop of economic hardship (whether real or not), the initial rights discourses immediately following the 25 January revolution took another turn. President Sisi pre-empted discussions with reassurances that Ethiopia had the ‘right to development’ on the condition no harm came to the post-revolution weakened state.\textsuperscript{49} There was consistent reference to the Nile being a public good, not a private commodity, as well as the harm principle\textsuperscript{50} and mutual benefit tenets\textsuperscript{51} of the 1997 UN Convention of the Non-Navigational Uses of International Watercourses. For example, Badr Abdelatty, spokesperson for Egyptian Ministry hoped the tensions could be resolved through “cooperation,” stating, “[i]nternational watercourses are governed by a set of agreed legal rules and principles. Among these widely respected rules and principles is that of the equitable and reasonable utilisation of the river, the ‘no harm' rule, and the prior notification rule”.\textsuperscript{52} Such positioning arguably functioned as tools to broker sympathy and encourage the international community to apply pressure on Ethiopia to cooperate with Egypt by ending, or at least pausing the construction.

ETHIOPIA: CHALLENGING HEGEMONY

Despite Ethiopia’s non-hegemonic status, its upstream riparian position ensures control over approximately 85% of the Nile River Basin strengthens its bargaining power. Such a position creates a space for contestation and resistance that other Nile basin riparian states may not possess. One example is Ethiopia’s lobbying in the 1990s against Egyptian Toshka and New Valley land reclamation projects, which would divert water from Lake Nasser into the desert, by sending several letters to international institutions. Accordingly, the construction of the GERD cannot be thought of as the first of such counter-hegemonic assertions, but an outcome of long-standing efforts. Cascão (2009) exposed examples of past strategies, which include holding the moral ground, investing in knowledge and expertise, and influencing the cooperative agenda. The continuity in Ethiopia’s counter-hegemonic strategies is highlighted in its attempts to dispel the hegemonic discursive fallacies surrounding the GERD. This is
primarily done through countering sanctioned discourses and providing discourse alternatives through reactive and active diplomacy.

Countering sanctioned discourses involves confronting the fallacies within hegemonic discourses that control and restrict the scope for political action. Ethiopia attempted to delegitimise sanctioned discourses surrounding the GERD in two main ways. First, it did so by rebutting against alleged falsities within Egyptian claims. Fekahmed Negash, Director General of Boundary and Transboundary Rivers Affairs Directorate of Ethiopia’s Ministry of Water, Irrigation and Energy, claimed that disputes between the two countries are due to “Egypt’s prolonged unilateral ownership, which it claims over the Nile waters. And the intention originates from Egypt’s interest to put Ethiopia under pressure for its ownership claims”. He went on to explain that the inclusion of the GERD construction into its national security discourse presented development on the Nile as an act of Ethiopia aggression. This aggression, however, would be hard to identify given several statements from high-ranking Ethiopian officials affirming cooperation (yet another strategy highlighted by Cascão, 2009) as their goal. For example, Negash stated, “Regarding transboundary river, it is a shared resource of the three countries. […] Developing the water through cooperation is beneficial to the three of us.” Similarly, in the GERD commencement speech, former President Meles Zenawi echoed Ethiopia’s moral high ground by juxtaposing Egypt’s attempts to “undercut Ethiopia’s efforts to secure funding” against Ethiopia’s willingness to provide mutual benefit to Egypt. These examples counter sanctioned discourse, highlighting Egypt’s unilateralism as opposed to its commitment to cooperation.

The second has been to provide discourse alternatives. In an attempt of active diplomacy, Ethiopia has emphasised the ‘right to development,’ citing the construction of dams like the GERD as being main drivers for economic development. Underlying these claims to development is an antagonism towards the perception of Ethiopia’s supposed aid dependency. As one of the largest recipients of food aid in the world, the perception of aid dependency operates on a number of levels. More generally, it can refer to the ‘dependency syndrome’ at
the individual level. It is ascribed to those who rely on aid and therefore lack initiative and
drive to pull themselves out of poverty through other livelihood options, such as wage
labour.56 The deflection of structural factors dominates in the substantive debate on
disincentive effects of food aid, which arguably depress prices of local agricultural
commodities and largely reduce agricultural productivity.57 Zadig Abraha, deputy head of
GERD coordination, claimed in an interview with the British newspaper, The Guardian, “We
have finished with the syndrome of dependency […] we want to recover our past glory”.58 By
appealing to these widely held perceptions, Ethiopia is actively promoting the GERD as a
means to ending the cycle of dependency.

While there are consistent references to the river as being ‘transboundary’ and a ‘shared
resource’ in the discourses,59 it is evident the GERD construction is of unique symbolic
importance to Ethiopia’s national identity. Former president Zenawi had a vision of Ethiopia
being the primary hydropower provider of the region, aiming to sell at least 4,000 MW of
power to regional partners in the next decade.60 In his GERD commencement speech, he
stated:

More importantly the project takes the pride of place, representing an
incomparable addition to our national plan for expanding power production.
It will not only raise our own power-generating capacity and meet our
domestic needs. It will also allow us to export to neighboring countries and
mobilise the resources so necessary for the realisation of objectives for our
rapid development endeavors, efforts which are already yielding promising
results.61

The attempt to build Ethiopia’s local infrastructure and productivity is even implied in the
inclusion of the term ‘renaissance,’ which means to revive or renew interest in something, in
the dam’s name. The language of rebirth, a return to ‘past glory,’ and independence62 reveal
an attempt to transform Ethiopia’s image of being a poor country dependent on foreign
assistance to that of an emergent regional leader capable of self-financing megaprojects, such
as the GERD. Interestingly, there is an emphasised distinction between negotiation and discussions. The former is perceived as a form of diplomatic weakness. Negash (Director General of Boundary and Transboundary Rivers Affairs Directorate) asserted, “We are always ready for [discussions and consultation]. But this does not mean that we would hold discussion on issues which would harm our country’s national interest, sovereignty, and development”. These themes all contribute to state-building efforts that reaffirm the renaissance of Ethiopia as a nation, marking a highly significant moment in its modern history.

RESOURCE CAPTURE THROUGH BILATERAL TRADE AND INVESTMENT

Resource capture is taken to mean a process through which “powerful groups within a society [...] shift resource distribution in their favour”. This paper slightly deviates from Zeitoun and Warner’s conceptualisation of resource capture, which appears to reduce its strategies to projects that block or affect access to the resource in question. Though they are right to state, “resource capture is typically carried out by creating ‘facts on the ground’ that enable control over access to the resource. These may include land acquisition, land annexation or the construction of large-scale hydraulic works”, these land acquisitions (or land grabs) and water-specific developments are largely carried out legally, under the guise of ‘economic development’ and ‘mutual benefit’, with the state’s permission.

However, some scholars have argued that bilateral trade and investment act as remedial ‘pacifying’ forces, potentially defusing geopolitical tensions and hostilities between the riparian states. Wichelns et al. (2003) proposed that bilateral trade and investment between the riparian states be based on comparative advantages of each country. Four scenarios for cooperation were provided, two of which have been operationalised by both Egypt and Ethiopia: negotiated free trade agreements enabling partners to import and export products with minimal taxation or quota restrictions and the diversion of resources towards productive local industries that can then be exchanged through trade or investment. For example, Egypt
diverts resources towards high-value export crops and textiles manufacturing, while investing in Ethiopia’s hydropower capacities and, in turn, Ethiopia sells its electricity for reduced prices. Jägerskog and Kim (2016) discussed whether land acquisitions in the Middle East and North Africa (MENA) region could in fact reduce the potential for conflict between countries, but suggested that it was too early to draw definite conclusions. Further interrogation is required to appreciate whether nexus-specific investment and bilateral trade does in fact defuse geopolitical tensions by balancing hegemony and counter-hegemony indirectly.

Given that the agricultural sector accounts for more than 46% of Ethiopia’s GDP and 85% of the labour force, its significance to Ethiopia’s economy cannot be overstated. Historically, Ethiopia’s Agricultural Development-Led Industrialisation (ADLI) strategy has linked labour-intensive non-mechanised agriculture to direct economic benefits for smallholders and increased food security. The ADLI was also motivated by political interests, appealing to the largely peasant community support base of the ruling party Ethiopian People’s Revolutionary Democratic Front (EPRDF). The overwhelming failure to combat food insecurity has meant that, in recent years, the Ethiopian government expanded the ADLI to a two-tier approach. The first aspect maintained the politically sensitive smallholder sector based mainly in the highlands, while the second promoted foreign direct investment (FDI) into ‘unused’ land in the lowlands. The ADLI envisaged FDI as a means to expand production of peasants’ products thus addressing domestic food security, as well as providing employment and technology transfers. The reliance of Ethiopia’s national development strategy on agriculture indicates the political significance of land ownership – because whoever owns arable land, the means of much of its production, owns its future.

But who owns the land? Extensive Egyptian investment into large-scale land acquisitions, alongside nexus-specific bilateral trade, is clearly taking place in Ethiopia. Since the beginning of the GERD construction, Egyptian FDI in Ethiopia has spiked. A commitment to joint and individual investment ventures in agriculture and manufacturing has seen the
establishment of pipeline and textile (among other) factories all across Ethiopia. Immediately following Ethiopia’s announcement of the construction of GERD in late 2010, Ayman Eissa, head of the Egyptian-Ethiopian Business Council, revived efforts to link the economic development of the two countries, purportedly to avoid the event of future ‘harmful’ unilateral projects on the part of either country.77 He also announced Egypt would be buying electricity from Ethiopia’s Mendaya power station and stated that “more than 30 Egyptian companies have already asked to import meat from Ethiopia due to its high quality and low price.”78 The Ethiopian Chamber of Commerce and Sectoral Association documented a total of 67 Egyptian-owned projects in Ethiopia with a combined capital of 1,391,973,000 ETB (about US$78 million), providing 3,316 permanent and 19,517 temporary employment opportunities.79 The interest in Ethiopia’s resources is no new phenomenon. Several studies have detailed Egypt’s long-standing financing of water drilling projects, including providing boreholes, in an effort to preserve Nile water.80 Moreover, aside from private sector investment, the Ethiopian government approved the leasing of 22,000 ha of land to the National Bank of Egypt, as well as the provision of 3,000 ha of land in the Ethiopian province of Bale to neighbouring Djibouti in exchange for space in the port of Djibouti, which is Ethiopia’s primary access to the sea.81

Eissa’s (Egyptian-Ethiopian Business Council head) statement regarding preventing future ‘harm’ to either country is indicative of the role of bilateral trade and investment in the power struggle over basin hegemony.82 The logic underlying Egypt’s land acquisition in Ethiopia must therefore be interrogated. The pivotal role that agriculture plays in Ethiopia’s national development strategy complicates the layers of power involved in what are presented as simple and mutually beneficial exchanges. There is an explicit difference between the crops cultivated by foreign investors for export as opposed to domestic actors, committed to local needs.83 This is true in the case of Egypt, which predominantly exports crops back home in order to alleviate food insecurity in direct opposition to Ethiopia’s ADLI goal of reducing local poverty. As such, two questions arise. Firstly, is Egypt’s pursuit of bilateral trade and
investment in Ethiopia motivated by an interest in cooperation or in maintaining its positions as the basin’s hegemon by entrenching local impoverishment? Secondly, is Egyptian investment through land acquisition defusing geopolitical tensions at the expense of Ethiopian rural communities? This reveals the dark underbelly of the state-centric discussion on hegemony and counter-hegemony to which Selby alluded.84

**BUILDING BRIDGES: ALLIANCES AND AID**

Alliance building, or in some cases the cementing of alliances, is an important dimension in maintaining or challenging hegemony in the Nile basin. Having powerful alliances can be a source of power either materially through access to funds and financing or symbolically through public demonstrations of support and international pressure.85 Conventionally, Egypt has maintained its hegemonic position through a reliance on the moral and monetary support of the United States (US). Egypt remains one of the largest recipients of US economic and military support. This relationship is a reflection of two important geopolitical junctures. Firstly, Egypt’s inability to cater for its rising population, incensed by the water insecurity that is associated with its downstream riparian position, has made it dependent on virtual water imports through US food aid.86 Secondly, the US considers ties with Egypt a cornerstone of its foreign policy directives in the region, primarily in attempt to ensure stable relations with Israel.87 The refusal of the US to be involved in the GERD process highlights the significance given to having Egypt as a strategic ally.

In addition to an alliance with the US, Egypt has also relied on mobilising international support to support its position and blocking international funding for Ethiopian riparian development. For example, Egypt has exploited the requirement of multilateral lending institutions’ of basin-wide consensus, particularly the World Bank, by vetoing any upstream developments, such as irrigation reservoirs and distribution systems.88 Waterbury (2002) goes as far as arguing the policy priorities of multilateral funders in the Nile River Basin are categorically influenced by the preferences of their staff and the national objectives of their
member states, suggesting that “[t]heir analyses and recommendations are the product of bargaining and compromise between these constituents and the richer contributing nations can steer the interventions”.89 Hence, by cementing the alliance with the US, Egypt indirectly gains status and influence over multilateral funders’ decision-making.

Attempting to sidestep the consistent refusal by certain multilateral lenders and Western donors to fund riparian projects, Ethiopia has committed to self-funding the GERD. Ethiopia’s capacity to self-fund is perhaps only possible due its alliance with China preceding the construction of the GERD.90 The Sino-Ethiopian relationship has become more fully realised since the mid-1990s, which has led to Ethiopia currently being one of the top four African recipients of Chinese investment in the infrastructure sector.91 Though China is not involved in the GERD project, it is a highly valuable ally to Ethiopia’s national development plan. Its anti-interventionist stance and own economic success endowed Ethiopia with the financial flexibility to assert the power associated with its downstream riparian position. However, China’s opposition to the 1997 UN Convention on the Law of the Non-Navigational Uses of International Watercourses demonstrates the fallacy of the ‘silent partner’ or ‘anti-colonial figure.’92 As a riparian hegemon itself, China’s interest in water infrastructure along the Blue Nile needs to be understood as an attempt to legitimise its own hegemonic unilateralism. More specifically, the situation of the GERD is unique in that it represents a direct challenge to hegemonic power through what is essentially unilateral action on the part of Ethiopia. In short, transboundary water management should be operationalised through a case-by-case approach.94

The leveraging of other riparian states is an important factor in the struggle over regional hydro-hegemony. Egypt has vied for riparian support through bilateral trade and investment. For example, it has in the past financed water drilling projects in neighbouring riparian states, including providing around 130 boreholes in the Rift Valley in Kenya alone, in an attempt to preserve Nile water for its own access.95 Ethiopia, on the other hand, has challenged these attempts at gaining allegiances through legal means. Under the auspices of the Nile Basin
Initiative, Ethiopia pioneered the 2010 Cooperative Framework Agreement that was signed by upstream riparian states, Ethiopia, Kenya, Uganda, Rwanda, Tanzania, and Burundi. It is intended as a permanent legal and institutional framework for the Nile River Basin, which would entrench equitable water rights and relinquishes the veto rights of Egypt and Sudan, despite strong opposition from either party. Alliances with riparian states, thus, play a significant role in (counter)-hegemonic power plays.

**CONCLUSION**

Recent developments around the construction of the GERD and shifting power relations in the Nile River Basin have shown that power and trust are in a constant state of (re)negotiation. In the case of the GERD, the existence of transboundary water treaties and agreements has been found to be no real measure of cooperative relations. While the preoccupation with cooperation and benefit sharing is not devoid of value, it can in fact conceal the polarised and securitised discourses from both Egypt and Ethiopia. The utility in stifling or preventing benefit sharing is disguised by strategies like Egypt’s constant manipulation of the apolitical ambiguity of various treaty texts standing in its favour, which ostensibly promote unilateralism. The protection or contestation of hegemony becomes more about ‘contested control’ rather than ‘shared control’. Shedding light on the power differentials and struggles that lie beneath the surface – whether motivated by the pursuit of cooperation, protecting hegemonic position, or asserting counter-hegemonic unilateralism – is therefore essential to comprehending the apolitical transboundary water management treaties, agreements, and coalitions.

Focusing solely on water ignores the vital food and energy-specific features of either actor’s arsenal. This is exhibited in the association between the GERD and increased Egyptian investment in Ethiopian arable land, which is portrayed as a positive development despite being, to a large degree, motivated by an understanding of the value that the agricultural sector holds in Ethiopia. Aside from its economic value, ownership of Ethiopian arable land is
symbolically powerful, in the sense that the attempt to weaken Ethiopia from within is an invisible articulation of conflict. By identifying the different layers behind the logics of both Egypt and Ethiopia respectively, this paper essentially attempted to contribute to the debate by understanding the ways in which food, water, and energy dimensions are intrinsic components of the asymmetric power configurations of the Nile River Basin. The nexus approach needs to be integrated into the study of hydro-hegemony and counter-hegemony in order for more realistic direction for Nile River Basin management and governance.

The GERD should be seen as a window of opportunity for riparian states, representing a rupture in the prevailing hegemonic logic of unilateralism and underlying geopolitical power relations. Though the state structure itself prevents any discussion of shared sovereignty, the key challenge lies in strategies of renegotiating power asymmetries. Zeitoun et al. (2013) recommend this very shift from unilateralism to multilateral action as a means of reconciling with a ‘resource that mocks political borders’.99 This involves the pursuit of nexus management strategies that appreciate and manipulate the interplay of water, energy, and agriculture, encouraging an emphasis on power sharing before benefit sharing. Without first confronting power, benefit sharing might be a less realistic outcome of transboundary river management and governance. Such an approach accommodates a shift from supply-side management to one of adaptive management100 without compromising the struggle for liberation from hegemonic power asymmetries inherited from colonial times.

NOTES


3 IPoE (note 2)

5 Ibid.


10 Ibid.

11 Ibid.


13 Nicol and Cascão (note 9)


15 Nicol and Cascão (note 9)


17 Cascão (note 7)


21 Ibid, p. 11.


26 Zeitoun and Warner (note 16) p. 438

27 Ibid.

28 Cascão (note 7)


33 Cascão (note 7)

34 Zeitoun and Warner (note 16)


37 Cascão (note 7), pp. 13-28


40 Ibid.

41 Zeitoun and Warner (note 16)

42 Casçao (note 7), pp. 13-28


49 Al Ahram, Egypt welcomes Ethiopian invitation to discuss Renaissance Dam (23 May 2014). Accessed from: http://www.ahram.org.eg/NewsQ/289568.aspx


51 Daily New Egypt (note 49)


54 HornAffairs (note 52)


59 ‘Interview – Ethiopia Official’ (note 52)


61 ‘Interview – Ethiopia Official’ (note 52)


63 Ibid.

64 Homer-Dixon (1999) as cited in Zeitoun and Warner (note 16)

65 Zeitoun and Warner (note 16)

66 Umbadda (note 12)


68 Wichelns et al. (note 67)

69 Ibid.

70 Jägerskog and Kim (note 67)


73 Unused land is considered to be arable land that is not being used in productive sectors.

74 Lavers (note 71)
75 Lavers (note 71)

76 Albachew (note 14).


82 Warner, Sebastian, and Empinotti (note 6)

83 Ibid.


85 Zeitoun and Warner (note 16)

86 Warner, Sebastian, and Empinotti (note 6)

87 Ibid.

88 Ibid.; Zeitoun and Warner (note 16)


90 Pohl (note 18); Adem (note 71); J. Warner, M. Zeitoun and N. Mirumachi, How ‘soft’ power shapes transboundary water interaction (Global Water Forum 2013). Accessed from: http://www.globalwaterforum.org/2013/06/03/6928/

91 Adem (note 71)

92 Pohl (note 18)

93 Adem (note 71)
94 Pohl (note 18)

95 Küng (note 80)

96 Gebreluel (note 4)


98 Tawfik (note 24)


100 Ibid.