

## Appendix 2:

### A Region in Economic Crisis

The data clearly indicate that the Horn has been in a deepening crisis (see **Table 1** showing a decline in per capita incomes). An interesting point to note, however, is that in Sudan (1973-80) the per capita GNP increased dramatically during the period 1973-1980, a development attributable to the peace following the Addis Ababa agreement of 1972. Somalia also registered some improvement during the same period but by the third decade all per capita incomes had negative growth rates.

According to **Table 2**, Uganda and Ethiopia received significantly more aid in 1993 than in 1987. The GNP average growth rate for Ethiopia for the period 1990-94 was 1.6 per cent, with an impressive annual growth rate for 1993 of 12.4 per cent. For Uganda the GNP average growth rate for the period 1990-94 was 5.6 per cent, with a rate in 1993 of 9.8 per cent. Tanzania's GNP average growth rate for the same period was 2.6 per cent, with the most impressive year in 1994 when the average growth rate was 5.7 per cent.

Except for Djibouti, which is categorized as less indebted, all other countries in the Horn are categorized as severely indebted. Again, except for Djibouti, which had a per capita GNP of US\$780 in 1993, the rest had a per capita GNP of less than US\$300 in 1993 (Ethiopia US\$100, Uganda US \$180, Tanzania US\$90, Kenya US\$270).