# THE RENAISSANCE AND POLITICS OF RAILWAY TRANSPORT DEVELOPMENT IN DEVELOPING COUNTRIES: CASE OF ETHIOPIA

**[1]SOLOMON SIYUM LEMA, [2]KICHAN PARK**

[1,2]Graduate School of Logistics, Inha University, Incheon, 100 Inha-ro, Nam-gu, Incheon, Korea
Email: solkoket@gmail.com, Email: kichan@inha.ac.kr

**Abstract:** Rail is experiencing a strong comeback. Ethiopia has seen a renaissance in rail sector over the past years. The Addis Ababa light rail was built and began operations; the old French built railway that connects Ethiopia to Djibouti is replaced by Chinese built standard gauge electrified railway. The paper noted that despite new rail line construction and operations the Ethiopian railway corporation shadow finance, troubling accounts of corporation escalating debt with crippling interest rate, and poor technology transfer to advance the local capacity become a great concern. Through the critics of past railway development, project finance and policies, this paper attempts to identify the principal factors for the above mentioned problems in rail transport and its contribution to the socio economic development of Ethiopia. The paper findings revealed that political urgency and incoherence in policy, lack of transparency in project contract and negotiation driven by greed and corruption disguised as positive political hype clogs in the wheel of railway development in Ethiopia. In order to avoid this, the paper recommended the transparency in rail project contract and negotiation, sound decision making in investment finance, and proper rail technology transfer policies as a sure measure for curtailing the predicaments.

**Keywords:** politics of railway, Rail finance and debt, Rail Transport, Transport policy and Renaissance of Railway