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# Does our destiny lie in the Horn rather than Arusha?

**"Djibouti looks set to become a Dubai. Despite its denial, it will need immigration to make it work."**

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If you get your news from the wide array of East African media outlets, you will receive very little on Djibouti.

Yes, the fact that Djibouti has a baffling array of foreign bases – the Americans, French, Chinese, Japanese (and Saudi Arabia too is finalising an agreement to build one) – makes news.

But that, ultimately, is not where the big story is.

A story in *Africa Business* magazine a few days ago quoted China Merchants Group (CMG) announcing that it

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wanted to turn Djibouti into a big hub port, similar to the Shekou terminal in Shenzhen, China.

The company began developing a 50-square kilometre free trade zone in Djibouti in November 2016, its investment alone running into $400 million.

CMG completed the first phase of Doraleh Multipurpose Port at the end of March at a cost of $590m, *Africa Business* reported.

It noted further, "Djibouti's growth has also been aided by the completion of the $4 billion electrified railway from the port to Addis Ababa last year...

"Apart from being more efficient, the railway should help Djibouti maintain its position as the Ethiopian entrepôt in the face of expected competition from the planned new port at Lamu in Kenya."

But perhaps more significant, remarking that between 2014 and 2022 Djibouti would have invested nearly $20 billion in infrastructure, it said, "With a population of just 950,000, it seems unlikely that the scale of its ambition can be achieved without immigration, although the government denies this. However, the same could be said of Abu Dhabi and Dubai just 50 years ago."

You see how this ends? Djibouti looks set to become a Dubai. Despite its denial, it will need immigration to make it work.

If most African traders stop going to Dubai and head to Djibouti, they will need infrastructure to do so. Kenya, in its tinkering with the standard gauge railway and improvements at Mombasa, may be well placed to profit.

And if Somalia were to stabilise, it likely it would eventually trade more northward, than southward with the EAC. It should also be remembered that in 2013, Rwanda signed a lease for a 20-hectare plot of land in the Djibouti port zone.

The security architecture for that is already developing. Beyond the bases already in Djibouti, to its south Turkey now has a military base in Somalia. For now it's a training facility, but analysts expect it to build out into something bigger.

To its north, as a recent IRIN report said, the United Arab Emirates is developing the mothballed deep-water port of Assab and its 3,500-metre runway, capable of landing large transport planes. Assab is now the UAE's main logistics hub for all operations in Yemen, including the naval blockade of the Red Sea ports of Mokha and Hodeida. Effectively, Djibouti's flanks are secured by either global or regional powers, which are also trading nations with African ambitions.

This could mean that on the continent's east coast, the hegemonic bloc would no longer be the EAC, but the Intergovernmental Authority on Development (Igad) of which Kenya and Uganda are members, and which includes Ethiopia, Djibouti, and Eritrea.

We used to picture which countries in the Horn were likely to join the EAC next. It is possible the opposite could happen. Igad could swallow the EAC. Blame Djibouti for that.

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