

ERITREA

Back From the Ruins

Can this be an African nation that works?

BY JOSHUA HAMMER

IT'S JUST THE KIND OF RECONSTRUCTION project that can ensnarl a Third World government. The narrow-gauge railroad that snakes from the Red Sea port of Massawa up a dramatic escarpment to the Eritrean capital, Asmara, was an engineering marvel when the Italians completed it—in the 1920s. Nearly a century later it was a ruin. Soviet-backed Ethiopian troops and Eritrean rebels had ripped out its rails and ties to fortify bunkers during the long siege of Massawa. Yet reopening the rail link was vital to the economic health of the nation born in 1993 after the rebels won. An Italian company offered to do the work—for \$90 million, about 5 percent of the country's annual GNP. In another country, officials might well have borrowed the money—and kept a cut. But the former Eritrean rebels hired hundreds of local workers to retrieve the missing parts. The crews reassembled the track and worked to repair four 1920s-vintage steam locomotives. Freight should start rolling again early next year. Total cost: about \$5 million.

From the ruins of war, Eritreans are transforming their new nation into that rarity on the African continent: a country that works. Hundreds of exiles have returned from the United States and Europe, bringing cash and technological expertise to a land starved for both. Former freedom fighters are mending ruined roads and clinics. They show the same unity and self-sufficiency that sustained them during the war, when they built huge subterranean complexes and filled them with hospitals and schools. Fifty years after the great wave of African independence began, Eritrea could become the continent's grandest success. "The incorruptibility and dedication of these people is extraordinary," says U.S. Ambassador Robert Houdek.

Like South Africa's Nelson Mandela, President Isais Afewerki has shed his wartime Marxist rhetoric, embraced privatization and opened the doors to foreign capital. So far the formula seems to be work-



'I wept and kissed the ground': Bicycle factory in Asmara

ing: investors committed \$250 million last year to ventures ranging from a Red Sea tourist resort to fisheries to apartment and office complexes. One

American company, Anadarko, recently signed a \$28 million deal to search for oil off Eritrea's coast. After years of shunning the rebels, Western nations are rushing to aid the new government. Last year the United States gave \$20 million, making Eritrea its biggest per capita aid recipient in Africa.

In the once somber capital, crowds of Eritreans stroll palm-lined Independence Avenue until late evening, passing newly opened cafés, restaurants and shops. Exiles like Ytbarek Cuddus, who built a successful oil-services business in Houston, have returned with their savings to work day and night launching new firms. "When I set foot on Eritrea's soil I wept and kissed the ground," he says. Tewelde Andu, a former rebel communications chief who helped smash the port, now is Massawa's

mayor. Seated on the floor of his office, he unfolds maps charting a \$10 million rehabilitation effort that has already restored half of Massawa's graceful Arab and Italianate houses. New hotels host European tourists eager to explore the coral reefs along the coast and its 300 unspoiled islands. "It's a fantastic feeling," he says. "We're rebuilding the city block by block."

Eritrea's bright promise remains just that—a promise. The president has pledged to hold elections in 1997, but it's an open question whether he, like so many other African leaders, will instead cling to power. Drought and erosion have tapped out many farms. Neighboring Sudan's Islamic radicals want to enlist Eritrea's 1.5 million Muslims. The younger generation, untested by battle, may prove weaker. But Eritreans seem determined not to debase the prize they fought for so long. "Our freedom was so expensive," says Hagos Ghebrehiwet, a top official of the ruling People's Front for Democracy and Justice. "If this isn't going to be a country we can be proud of, then it was all a waste of time." ■