

# **Spatializing the Economic Roles and Prospects of Small Towns in Ethiopia: The Case of Amdework.**

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Urbanization in Ethiopia reached only 19 percent in 2014. Although the urbanization base is very low the annual growth rate observed during these years is high because it grew by 4.8 percent, 3.8 percent and 4 percent between the years 1984 and 1994, between 1994 and 2007 and between 2007 and 2012, respectively, which is higher than the national population growth rate.

There are myriads of challenges urban centers face in Ethiopia. Literatures identified six key challenges in Ethiopian urban centers. These are lack of infrastructure and services, shortage of housing, environment related problems, poor urban-rural linkage, poor urban-urban linkage and lack of good governance.

Hence, it would be of great importance to identify those factors that influence the development of these small towns, and reverse the inverse relationship between level of poverty and the size of towns. Many scholars have singled out different factors that have hindered the development of small towns in different corners of the world.

This study will, therefore, try to identify those factors that affect the development of small towns in the Ethiopian context. To achieve this, the study will intensively investigate both internal and external factors identified in the previous part on the selected case town, Amdework.

To achieve this goal, the research will be divided into three work packages. The first work package is dedicated to identifying "Role of a Small Town in the Regional Urban System" to see if there are **external** opportunities in the regional urban system that can be harnessed to develop a small town. The second work package will be to investigate **internal** opportunities in small businesses typical to small towns. This is important because the growth of small towns, as hypothesized in the research, partly lies in the small businesses that reside in them. And lastly, the research will also investigate if there are further **internal** opportunities by studying bottom up initiatives that would help the economies of these small towns to be more **circular** and more **sustainable**.