Conflict prevention and reconstruction in Africa goes beyond state-centric perspectives and includes a range of non-state players (Mbabazi, MacLean et al. 2002). It is particularly true in Somalia, where it is improbable to find out a native central government, political organization being based on family relationships, permeated by individualism and autonomy (Lewis, 1983).

Traditional values descending from the clan-based structure of society, however, are not at the very origin of the country’s current disintegration, this last having originated in the progressive erosion of solidarity and social capital. This was the inevitable outcome of previous leaders’ failure to nurture shared cultural and social commonalties, associated with the state’s failure to guard common interests, in contrast to private groups’ instrumentalist accentuation of social differences (Samatar, 2001).

Somali shared values such as language, religion, mode of production etc., acting as national unifying factors in the recent past, seem today insufficient for the establishment of a new central government. Cultural cohesiveness forms just the foundation upon which to rebuild a national system of governance, based on decentralisation, negotiation and public consultation. Setting and implementing a national administrative, legal and judicial framework, according to the western concept of the State, is not fully viable without a well balanced distribution of power within the clan-based structure - in a decentralized perspective - and the involvement of non-state actors - in a participatory perspective - internalizing inter-groups political and governmental relations actually existing in the country.

Current challenges for State reconstruction in Somalia

Somalia has been without a government since 1991, when President Syad Barre left the country, which remained stateless during 13 years, marked by lawlessness and clan warfare.

After the failures of 13 attempts to set up a new government, in August 2000 a 3 year long Transitional National Assembly was established in Mogadishu, elected on a clan basis. An Intergovernmental Authority for Development
(IGAD) Assembly started new peace talks in October 2002 in Kenya, leading 22 Somali groups to begin a national reconciliation process. This last culminated with the inauguration of a 275-member Federal Transitional Parliament (FTP) in January 2004, at the United Nations headquarters in Nairobi, followed by Mr. Yusuf’s election as the new Somali President in October 2004. Notwithstanding such advancements, the peace process appears extremely challenged.

First, President Yusuf, previous Puntland President, is from the Darod clan, based in the north. Mogadishu is home to their Hawiye rivals. Because of security concerns in Mogadishu, the transitional administration is still based in Nairobi and its formal establishment in the capital appears quite problematic. The African Union has recently agreed in principle to deploy troops in Somalia to support the country’s new transitional government, but such an intervention could once again exacerbate tensions, raising conflict potential over the violence threshold.

Second, the new government includes most of the country’s main warlords. On the one hand, it is considered a necessity, in order to overcome national fragmentation alongside clan divisions; on the other hand, it seems extremely risky, given pervasive independence characterising clan leadership.

Third, even if ethnically homogeneous and monolingual, the Somali population is divided into clan families (Ssere, 2003). This is perceived as an obstacle toward the consolidation of national unity: in fact, where cultural tensions are effective, proper development policies are needed for incorporating individuals with diverse cultural identities into society (UNDP, 2004). However, the successful implementation of such policies in the near future is quite improbable.

Finally, precarious humanitarian conditions continue to represent a major cause of instability and violent claims among poor and marginalised people. Even if the new government could succeed in establishing itself in Mogadishu in the near future, effective stability requires broad-based opportunities for socio-economic recovery.

It is widely demonstrated how declining economic performance associated with high poverty levels can further lead to war (Collier and Hoefler, 2002). Inequalities among clans and ethnic, religious, or linguistic groups lie behind many cases of conflicts: when cultural, political or socio-economic claims of different groups remain unmet, tension builds and can boil over into violence (UNDP, 2004).

According to WB and UNDP, three scenarios can be identified in Somalia in relation to international community re-engagement in the country (WB-UNDP, 2003):

A low-case one, consisting in conflict increase and the paralysis of donors’ activities.

A base-case scenario, in which engagement could go ahead with some
progress obtained.  
A high-case scenario, consisting in the advancement of the peace process, in which donors would support the emerging government in a long-term recovery perspective.

According to the high-case scenario, the current Somali formal and informal economic system, its organisation, its actors, its flows and its rules play a central role in the emerging government-led challenges for normalisation and recovery. The first challenge to be addressed in this case would be the economic rebuilding of the country, which requires first the identification of proper economic institutions to be settled or reinforced, and their reciprocal placement at various administrative levels.

*The schizophrenia of a selective economic system: broad-based economic stall against new economic elites’ fast-growing initiatives.*

Somalia was admitted by WB and UNDP to LICUS initiative\(^1\) in 2003, together with 3 other African countries. Labelled Least Developed Country and Low-Income Country, with a per capita income of less than 735 SUS, (UNDP, 2004), Somalia is at the lowest position in terms of socio-economic indicators among LDC countries. A Human Development Index of 0.28 places Somalia near the bottom of all countries in terms of human development\(^4\).

With a total population comprised between 6.7 millions (UNDP/WB, 2003) and 9.5 millions, Somalia belongs to the lowest group of countries in terms of living standards and life expectancy. With 53.4% of total population living with less than $1 a day, Somalia is affected by one of the highest percentages of chronic undernourishment in the world, which exceeds 70%. Life expectancy is 47 years and nearly one-quarter of all children die before the age of five.

Living standards display severe imbalances between rural/urban populations, and among male/female groups. According to UN statistics\(^2\) the rural population, whose percentage is estimated around 66% of total population, achieve living standards lower than the urban population: extreme poverty (below $1 PPP threshold) affects 53.4% of rural population, against 23.5% of urban population; such percentages rise respectively to 79.8% and 60.7% when considering the case of poverty (below $2 PPP threshold). The average household per capita income of $226 lowers in rural areas down to $195, while in urban areas rises up to $291; household literacy, averages 19.2%, but in rural areas doesn’t achieve 11%, while in urban areas is 35%. Gender imbalances are quite sharp too: male literacy is twice female one, equivalent to 25% and 13% respectively.

Somalia’s economy, because of the enduring socio-political crisis, is ex-
tremely weak: PNL growth rate between 1975 and 2002 has been negative (-0.5 according to UNDP, 2004). GDP per capita has declined from $280 in 1989 to $226 in 2002, so that the country has today the lowest GNP rate for the Horn of Africa while the vast majority of the population lives below the poverty line.

Declining productivity is one of the major challenges facing the country. Average production of one worker in Somalia is $700, against $5000 in Libya and $3000 in Djibouti.

Agriculture is by far the dominant sector in the economy: it contributes to more than 65% of GDP. It employs around 67% of labour force, another 21% being absorbed by the service sector, the remaining part being employed in the industrial sector. As expected, such percentages vary between rural and urban areas, reinforcing the substantial rural character of national economy.

The nomadic livestock sub-sector accounts for more than 44% of agricultural GDP and 50% of total agricultural employment. Nomadic livestock is the main source of Somali livelihoods: on the one hand, it secures the subsistence of nomad and agro-pastoralists segments of population; on the other hand it contributes 80% of the exports and is thus the main source of the country’s foreign currency earnings. However, in the long-term several factors constrain its development: technical deficiencies and lack of supportive institutional veterinary services exacerbate the already precarious situation of the sector.

Industry, although limited in terms of GDP contribution, has shown a quite dynamic performance in recent years, even if concentrated in selected urban and rural areas: joint ventures with Malaysian and Gulf business enterprises offer to rehabilitate airports and ports (Hussein and Ford, 1998).

Services are by far the most dynamic sector. Several activities have recently developed -marketing, finance (including remittances), transport, communications- partially funded by remittances from the Diaspora. Rudimentary but efficient local banks, linked to large overseas institutions, now dominate the Mogadishu banking sector. New private phone systems, available in major Somalia’s cities, may be more efficient and cheaper than any other in Africa. Private clinics and schools are springing up all over the country. Several new Somali-owned airlines regularly fly into the larger cities, keeping generally reliable schedules (Hussein and Ford, 1998). However, notwithstanding remittances capital inflows, scarcity of capital - essentially due to the lack of formal banking/financing services and a clear legal framework - heavily affects private sector initiatives. Furthermore, in the absence of state institutions, the market economy shows its wildest logics, which in part create opportunities for the few, in part hinder private enterprise development for the many (Hussein, 2002). Cases of illegitimate appropriation of land and resources are not new: recent news of international relevance report the violation of an Italian graveyard probably due to private-led (building) industry interests.
The criminalisation of the Somali economy is a critical fuel for the income generating system: it takes advantage of the arms trade, of the collection of foreign hazardous wastes, of the overexploitation of fishing resources, forests, land led by private groups conflicting with local population interests etc. Violence and retribution related crimes go unpunished by any formal state authority, being family and clans often conniving or powerless against such violations (Hussein and Ford, 198).

Unemployment rates range from 4.7% in rural areas to 61% in urban areas. This data should be considered in relation to the fundamental role played by the rural economy in terms of subsistence and self-employment. This last in rural areas exceeds 60% and in urban areas is slightly less than 40%. It generates the greatest share of Somali income, corresponding to 50% of the national income, against a wage employment share equivalent to 14%. Income from remittances is the second greatest source of income in Somalia, estimated as $360 million and accounting for 22.5% of total income. Such a percentage is almost the same in rural and urban areas.

The national economic system is heavily affected by the lack of institutional, technical and financial assets. The urgent application of regulations is as critical as the problem of un-coordinated development, which actually favours the new economic ruling elites and disregards people needs. This situation is the result of the socio-political crisis on one hand, and economic stall, on the other. Relations within and between socio-economic and politico-institutional subsystems have been eroded during the civil conflict, dismantling the state system, de-structuring its territorial foundation, and jeopardising actual chances for national recovery.

Civil conflict, absence of government, and continuing insecurity prolong the survival of an iniquitous system of power, polarised around clan fragmentation and warfare capacity. The revitalisation of inclusive and equitable governance procedures is a priority for national recovery. However, such a revitalisation should take its first steps on the pluralistic nature of Somali society: a national government conceived in centralized terms would not work in Somalia, where different concepts of governance prevail within each clan. These last should be recognised as regional levels of government, invested with formal power and provided with adequate resources; clans should be given the possibility to implement their own procedures within the new political-institutional system, at least during a first phase of national consolidation. In this case autonomy and unity could work together in a flexible framework to be detailed in course of implementation.

*The multifunctional role of the Somali Diaspora: current contribution and future perspectives*

The Somali Diaspora plays a multifunctional role in the economic and socio-
political sides at national, regional and global levels. 

In relation to its economic function, as few people earn wages in Somalia - the most part working in subsistence farming - relatives abroad constitute an important source of income. Remittances - some $700m a year - are vital to the economy, contributing about 22.5% of household income. As there are no banks, most of the money is sent via the informal Hawala system\textsuperscript{10}. Based on ICT such as fax and e-mail communications, the Hawala system has played a central role for Somali economic survival since state failure. It has been calculated that an average $200-500 million is transferred to Somalia through the Hawala system (Perous de Monclos 2000), which today counts around 12 different structures, the biggest three ones disposing of 100-150 bureaux. The most important of them, Al Barakat, has been closed recently, accused of financing the Somali component of Al Qaida. Before its closure, it diversified activities, creating a multinational holding - based in London, Minneapolis, Stockholm - for credit, assurance, and mobile telecommunications in Somalia.

There are between one and three million Somalis living abroad, the most part having chosen a final destination within the region - Kenya (154,272), Yemen (59,246), Ethiopia (26,276), Djibouti (25,474) - the others having emigrated to other continents- US (25,421), but also Canada, UK, Scandinavia and the Netherlands.

Around 400,000 Somalis are refugees, most of them living in Kenya, Yemen, and Djibouti. In 2003 Somalia registered 14,800 refugees going abroad, and 10,300 coming back to the country\textsuperscript{11}. In addition to regional destinations, North Africa and Europe host established communities of Somali refugees. Favourite destinations in Europe were Scandinavian countries in the 1988-1994 period, and UK, actually accounting for 53% of all Somali applicants to Europe in 1999.

Form the economic perspective, the Somali Diaspora has until now been concentrated on carrying aid and relief to relatives in the origin country, in the form of remittances. It has initiated and realized projects like rebuilding the hospitals, medical relief, schools and universities, as the ones of Hargeysa and Amoud in Somaliland. On the other hand it has generated new investments in all fields of trade, particularly telecommunication companies, that keep the country wired with cell phones, email and satellite television (Abdi Osman, 2004). The Diaspora contributes also to the creation of employment: traders belonging to the Issaq Diaspora, settled in Djibouti and the Gulf (called the Janaleh) have multiplied contracts with the origin country, following lineage relations.

From the socio-political perspective, the Diaspora fostered a regional integration process, improving diplomatic relations and trade partnerships between Somaliland and neighbouring Ethiopia, replacing century-old animosities (Abdi Osman, 2004).
Furthermore, as the concept diaspora suggests, Somali migration seems a temporary phenomenon. Somalis abroad could play a very important role in relation to the peace process and country recovery: some of them are highly-trained and could make a big difference if they could be persuaded that it is safe to return home. On the other hand the large business community has also promised to back the peace process, bringing their financial resources and expertise on board.

However, several barriers could concretely impede repatriation: migrants’ assimilation in foreign countries, politico-institutional and socio-economic barriers, financial and remuneration disincentives, included repatriation costs linked to travel fees, and security concerns especially for women.

Furthermore it should be observed that the multifunctional role of the Diaspora is subject to continuous transformations, engendered by global socio-economic processes taking place during the last decades: globalisation and the pervasive development of ICT have shaped a new kind of economy, the informational economy, and a new kind of society, the network society (Castells, 2002). As a consequence, while the system of governance is becoming at the same time global and local, unified and fragmented, homogeneous and heterogeneous (Kaldor, 1999), Somalia’s economy is embracing globalization, supported by a completely de-regulated market. Socio-economic localization and territorial fragmentation are challenging the traditional concepts of national State and public interest. Economic groups capture activities traditionally endorsed by individuals and groups representing clan interests: the shift of power from tribal elders, warlords and militiamen to the business-oriented Diaspora acts as a powerful protagonist of the new global economy in the country.

On the other hand globalisation contributes to re-shaping territorial relations: the political and economic modernisation in Somalia and its impact on cultural values should be read as the consequence of the “transhumance of a population converted in global diaspora” (Besteman, 1999). Somali society relations are more and more evolving in a global network, whose structure, efficiency, objectives and dynamics are conditioned by information and communication infrastructures, technologies and know-how.

*Traditional authority as a criterion for socio-political organisation against anarchy*

Current challenges for the establishment of a new Somali government are essentially twofold. The first is a legacy of the Syad Barre autocracy, and lies in the lack of confidence by the Somali population in any central government and institution. The second is an historical and cultural legacy, the clan structure, its lack of democracy and its pervasive individualism against a centralised unitary state (Hussein and Ford, 1998).
It should be observed that the absence of a centralised state has not resulted in a descent into anarchy in Somalia in the last decade, but in an enlarged role of a variable range of grassroots categories such as elders, faction leaders, religious groups and NGOs. The traditional system has contained the spread of anarchy, assuring protection and social promotion to individuals, and shaping emigration and its contribution to the origin region, especially during the higher peaks of the current crisis (Hussein, 1999).

Such performance highlights a well-established traditional authority system, which could play a central role in the national political system or, in opposition, could hinder the consolidation of a new national authority.

The first option requires two further conditions: a national state opened to decentralisation and participation, and a traditional authority that accepts values of equity and democracy.

Decentralisation and participation have been largely promoted by international organisations engaged in the field of development and poverty reduction: during the last 15 years, several “third generation democracies” have arisen, usually supported by neo-liberal reforms of the public sector, often with doubtful results. The setting and implementation of a new government shaped on the western concept of nation-state is unlikely to work, at least in the following decade (Hussein and Ford, 1998, Bayart, 1993). Even if the new Somali government would have no choice but to adhere to national decentralisation efforts, expectations remain limited in terms of effective devolution of power.

The second issue, the democratisation of traditional authority, is far more relevant for the consolidation of the new government and the viability of the above-mentioned efforts for power devolution (Bayart, 1993). African traditional authority is neither equitable nor democratic. Power distribution reflects the Somali population’s division in six major clan families (Darod, Isaaq, Hawiye, Dir, Rahanwein, Digil). Clan families have common ancestral origins and, in traditional Somali society, they corresponded to a social and political unit of organisation and government, each clan having its own leaders and council of elders. The traditional clan structures acted in the past as a framework for identity, the settlement of disputes and conflicts, and communal security (Ssereo, 2003).

However Syad Barre’s regime weakened the customary concept of power, as it superposed state representatives over traditional authorities. National judicial and constitutional laws replaced customary laws. Conflict were no longer resolved by the Sharia, but rather by central government institutions who were not at all legitimatated in the eyes of the common people. As a consequence, immediately after Syad Barre, society slipped into a chaotic de-structuration process. State failure deprived the population of formal institutions and norms on one hand. On the other, customary institutions could not represent a valuable alternative: heavily dismantled during the regime,
they were now extremely weak and deprived of authority. An overall process of modernisation was further eroding traditional culture and norms within Somali society.

In modern Somalia, clan system and modern forms of social and political organisation co-exist in a socially and politically fragmented country. Government crisis, and clan-based civil war have both revealed the negative consequences of clan politics and the manipulation of clan differences to achieve power. In addition, such unrest has highlighted the limits of clan-democracy as a framework for conflict regulation (Ssereo, 2003).

However, the power vacuum following Syad Barre’s regime, together with the abandonment of the country by the international community, has caused a progressive gain of the clan-based logics as the only normative framework against criminal injustices and warlord pressures: a process of re-composition of the Somali space is currently taking place, through which new territorial entities gain intra and inter-clan legitimacy and look for autonomy. Such entities are at the basis of an effective system of regional governance, actually organised around 4 territorial units: the Somaliland, populated by the Issaq, source of emigration and claiming its autonomy in the eyes of the international community; the Puntland, with prevalence of Majertine; the Jubaland, in the south, between the Juba and the Schebeli river, mostly populated by the Bigils; le Banadir, mostly populated by Hawiyes, in the central region of Somalia, including the capital Mogadishu (Hussein, 2002).

Pathways to broad-based recovery in Somalia

Somalia is currently carrying on its 14th attempt to establish a national government after Syad Barre’s regime. A fundamental imperative for the successful implementation of the new government is closely linked to Somalia’s economic recovery. This last, on its part, faces two major challenges, both rooted in the globalisation process: an effective exploitation of the Diaspora’s economic potential, and the implementation of a decentralised system of governance conjugating customary and legal norms.

From an economic point of view, the viability of a new national government is highly dependent on poverty reduction and human development achievements. In this context the Somali Diaspora plays a critical role in relation to socio-economic take-off: it grants at a time economic remittances - which provide capitals for family subsistence and investments - and skilled labour to be employed in the emerging economic sector, whose incorporation in the global market is imperative, as well as its competitiveness. Globalisation is the new socio-economic reality, and the very challenge subtended to the new national state and its citizens, in Somalia and abroad. The Diaspora is seen as the outcome of a renewed kind of nomadism, which takes its origin in a declining pastoral tradition projected in the transnational space of the network.
society: pastoral transhumance, re-sank in a communication based dimension - where the space of flows prevails on the space of places (Castells, 2002) - has changed the current global Diaspora’s operations and objectives. Thanks to strong trust-based relationships, which build on Diaspora social capital and reduce transactions costs, Somali network society has a valuable competitive advantage for economic recovery. However its effective exploitation requires the implementation of a decentralised institutional structure capable of assuring a favourable environment to economic initiatives and capital investments. It follows that local autonomy, which is a pervasive characteristic of Somali society, within an emerging regional system of governance, should not be hindered but rather reinforced in a clear central-peripheral power framework, setting legal, judicial, political rules while responding to the principles of decentralisation and democratic participation. In fact, deploying economic and market regulations is as critical as the problem of an un-planned and un-coordinated development that actually favour the new economic ruling elites, disregarding people needs. The authority for the implementation of such regulations is best constituted at a sub-national level. As a consequence, options for a unified and decentralised State in Somalia require first the implementation of a politico-institutional setting at the same time inclusive of western-like and tradition-based concepts of governance. If on the one hand common values such as identity, religion, and culture - which slightly persist notwithstanding enduring clan warfare - could still play a major role for the consolidation of a new national state, on the other hand clan autonomy and territorial fragmentation should be recognised as a fundamental pillar of the new, decentralised, participatory and custom-integrating system of governance: distribution of power and shared consensus are a sine qua non condition for the implementation of a national government initiative.

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Notes

1 Financial Times 01/07/2005.
2 Conflict is a competition between individuals or groups of individuals, aiming at achieving goals that are or are perceived as reciprocally incompatible (DSE, 2002). Competition does not necessarily imply violence, which appears when tensions rise above the violent conflict threshold. Causes subtended to an escalating dynamic of conflict can include ethnic, political, social, historical factors, rooted in social gaps, human rights violations, poverty and ethnic fragmentation, power legitimacy etc., and interact in a complex framework. Such elements are quite abundant in Somalia, where an isolated military or political event could interact with the above-mentioned
background, generating a vicious circle of conflict escalation.

3 LICUS is a new World Bank approach implemented in those countries where traditional aid programs have often not been effective, due to weak policies, institutions, and governance; a lack of capacity or inclination to use finance effectively to reduce poverty; and, often, restrictions on freedom of speech and public participation (WB, 2004). It should be noted however that the World Bank has not had an active lending program in Somalia since 1991. In 2003 the Bank has elaborated a Country Re-engagement Note (CRN), providing basic public goods, accelerate socioeconomic recovery, and create an enabling environment for long-term institutional and policy change.

4 The UNDP’s Human Development Index ranked Somalia 161 out of 163 countries in 2001.


6 According to UNDP Human Development Report issued in 2003, adult literacy rate (over 15 year) was attested on 24% in 2002.


8 La Repubblica, January 19th, 2005

9 Several countries namely Ethiopia, Eritrea, Djibouti, Yemen, Egypt and Libya have supplied arms to different factions in Somalia (UN Report of the Panel of Experts on violations of the arms embargo in Somalia, 2003). Since the adoption of the Security Council Resolution 733(1992) there have been numerous and regular violations of the arms embargo by outside state actors. While in the past Somali warlords were known to have been the main importers of arms and weapons, arms traders and other businessmen are increasingly involved in the illicit trade (IRINNEWS, August 18, 2004).

10 Born in the Indian sub-continent, the Hawala system is a mechanism based on trust, aimed at transferring money and financial resources between two or more countries. It works within a community (religious, ethnic, corporate etc.), through relations of reciprocal confidence. It allows capitals to flow even where unfavorable conditions prevail (i.e. strong devise against weak devise, protectionist country against a liberal one) applying specific strategies aimed at dupe the conversion rules. Money is not concretely sent through the Hawala system, which allows guarantees circulation. A given security is associated to specific individuals within a net of interpersonal confidence relations shaped on the pastoral law, which attributes to each member of the clan a bond, a security guarantee (Hussein, 2002).


12 As Rannveig Haga comments, the term Diaspora shifts attention away from the integration of ethnic groups on a national level in order to better view the
transnational communities which are sustained and reshaped across borders. The perceived alternatives represented in concepts as integration and diaspora correspond to ideas of staying in the new “home” or returning to their old “home” (Rannveig, 2002).

13 Somali culture is rich in traditional institutions evidenced in systems of land management, agricultural and grazing systems, conflict mediation, legal, and many related functions. These traditional practices are part of the support system needed to make any new settlement effective and sustainable (Hussein and Ford, 1998).

14 Clanpolitics and the Somali model of clan-democracy are a challenge to the concept of democracy as government of the majority (Stereo, 2003).

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37