

## Country Study 2:

# Somalia – no central government, but still functioning

*Somalia is the longest-known case in modern times of a country whose central state has ceased to exist for many years. Although Somalia is often said to be a country in chaos and anarchy, a new form of social organization emerged here some time ago. Indeed, many Somalis appear to have adapted well to their country's statelessness.*



Photo: Bakonyi

Even without a central government, local self-administrations function in many regions. The clans play a dominant role.

Somalia has lacked a legally recognized or effective central government since 1991, the year when its last president, military dictator Mohamed Siad Barre, was deposed in a civil war that erupted in 1988 and is still ongoing. Following the ousting of Siad Barre, Somalia's already rudimentary government apparatus and administration completely disintegrated. At the height of the civil war in 1991 and 1992, practically all public buildings, equipment and infrastructure was looted and destroyed: roofs were torn off, doors and windows dismantled and removed, and even masonry was carried off to be used in private building projects.

In this situation, northwest Somalia declared its independence as the Republic of Somaliland in 1991 and embarked upon a process of peacebuilding and reconstruction. Sadly, it has been impossible to replicate this successful model across the rest of Somalia, where violent clashes between rival clan-based factions have continued. The country no longer has a central government to collect taxes, enforce and ensure compliance with the law, provide social benefits, or establish a regulatory framework for the education, health and transport systems, etc. This

article explores the impacts of statelessness on Somalia (excluding Somaliland). Almost every opportunity for military or civilian conflict transformation has been attempted in Somalia with little success: from military intervention by the UN (1992-1995) to support for regional and national peace negotiations involving many different international actors. To date, none of these efforts has managed to achieve a lasting peace or the restoration of state structures. However, as a result of the latest peace negotiations, held under the auspices of the Intergovernmental Authority on Development (IGAD) in Kenya, a Transitional Federal Government and Transitional Federal Parliament were formed in late 2004. After 15 years of statelessness, Somalia (excluding Somaliland) now has a national government again, at least in a formal sense. The members of parliament and government ministers returned to Somalia in mid

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2005, but so far, the new government has been unable to establish itself within the country and therefore is not yet functional. It remains to be seen whether the new government will be equal to the dual challenges of peacebuilding and reconstructing the state over the long term.

### The role of the clans in a stateless state

In reality, many Somalis appear to have adapted well, over the years, to their country's «statelessness». Indeed, a large majority of the nomadic population in particular had considered the state to be over-zealous in its regulation, especially when it came to the exercise of grazing rights in neighbouring countries, well-established for centuries. Armed clashes and warfare are certainly nothing new. There has always been inter-clan conflict over scarce natural resources, and the clans have traditionally defended their pastures, fertile cropland and access to scarce water points – if necessary by force – whenever they saw a need to do so. Clan elders would mediate these conflicts and negotiate peace agreements on the basis of customary law (xeer). In parallel to the clan structure, Islam was a source of religious guidance and acted as a unifying force. Religious leaders had no special political powers, but they enjoyed as much respect as the clan elders for their political neutrality, and were invited to act as mediators and arbitrators when disputes arose. After the UN forces withdrew in 1995, the fighting continued; finally, clan elders and religious leaders resumed their traditional role and made a substantial contribution to pacifying the country. Admittedly, armed clashes are still occurring in most regions of Somalia, but due to power struggles and divisions within the various militias, these clashes are erupting less frequently among the major clan groups and primarily occur among smaller sub-clan splinter groups. Such clashes are generally limited to occasional brief skirmishes, and the number of casualties has fallen noticeably.

Nonetheless, in the absence of any legal institutions, and with small arms readily

available, armed violence appears to have become the primary and socially accepted means of «resolving» disputes and conflicts. An entire generation of young people in Somalia has grown up in war, without any opportunity to attend school or gain any other formal education. Integrating these «children of war» into a post-war order may prove to be one of the toughest challenges for long-term peacebuilding in Somalia.

### The local self-administration and trade networks

Despite the widespread impression that Somalia has existed in a state of violence and insecurity for several decades, the level of security in many towns and municipalities is now higher than at any time since the state's collapse. The country's superficial image as a hotbed of chaos, anarchy and lawlessness is deceptive: in reality, a new order was established way back during the civil war. While this system of order is still based mainly on the direct use, or at least the visible threat, of force, it has nonetheless greatly increased the level of security in people's every-day lives. To some extent, this even applies to Mogadishu – which remains the country's most insecure city and a violent urban combat zone – and is especially true of many of Somalia's rural areas.

With the establishment of local institutions of self-government, based on cooperation between clan-based militias, clan elders, religious authorities, sometimes shari'a courts, and the business people, relative security has been restored in local areas. Everywhere in Somalia, local, district and municipal administrations have been set up – generally under the control of the locally dominant violent faction, but usually in cooperation with the local clan groups as well – with the primary task of restoring and maintaining security. The administrations work closely with

the clan elders and religious leaders, and conflicts are resolved through some combination of customary and religious law (shari'a). The local administrations control and pay militias recruited from the local clans.

The administrations obtain funds by raising taxes. Most towns and municipalities have set up road blocks where payments are collected from passing vehicles. Sometimes, «taxes» are also collected from local businesses, and charges are levied on the sale of livestock and other produce in the markets. It is almost impossible to estimate the amount of revenue generated in this way, and the use of these financial resources is far from transparent.

There are visible signs that security is increasing as a result; this is especially apparent from the flourishing trade and commerce across clan boundaries and disputed territories, and the reconstruction of effective nationwide communications systems. Today, Somalia has an advanced telecommunications network (telephony and Internet). With satellite systems now in place, it is easier to make a domestic or international telephone call in Somalia today than at any time in the past.

Even though Somalia has no formal banking system, the Somali shilling is still regarded as the official currency. International money transfer companies have sprung up across the country, where Somalis can pick up the remittances sent to them by family members abroad.

Exchanging currency is also not a problem in Somalia. Although there is no official currency exchange system, the dollar exchange rate is calculated daily on the basis of local currency quotas. US dollars can be exchanged into local currency very easily in the numerous foreign exchange booths in towns and villages.

So despite the civil war, most of the Somali population is able to make a living, at least to some extent, under these conditions. This is because conflicts are now confined to local skirmishes and, to a

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Photo: picture-alliance/dpa



large extent thanks to the members of the substantial Somali diaspora who send back part of their earnings to support their families in Somalia. The traditional system of mutual obligation and family support has thus adapted to modern conditions and has established itself as a form of diaspora clientelism. According to a study by UNDP and the European Commission, it is estimated that as much as US\$ 1 billion is remitted to Somalia via the money transfer companies each year (UNDP & European Commission, Somali Unit 2004) – far more than the amount of development funding flowing into the country.

Remittances from the Somali diaspora balance out the commercial deficit in Somalia and strengthen domestic demand. They guarantee some measure of food security and enable many people to access private services. The future trend of these remittances will undoubtedly continue to have a substantial impact on Somalia's development prospects.

Economic activity has also adapted to the war. Indeed, the civil war has triggered a radical structural adjustment. Without any political regulation or state control and unencumbered by taxation, many branches of business are flourishing, especially benefiting the handful of Somali wholesalers who have accumulated substantial wealth. By contrast, the majority of Somalis earn their livelihoods from small-scale business and trade. Due to the lack of a functioning judiciary to monitor compliance with written contracts, all business in Somalia is conducted on the basis of verbal agreements and mutual trust.

Throughout the country, trade networks have been established to undertake the transport and distribution of imported goods from the towns and cities to the numerous villages, many of which are

located in remote rural regions. Many of the traders, middlemen and businesses involved in these networks were a driving force behind the re-establishment of the local administrations, which have also managed to achieve a significant improvement in Somalia's security situation.

### The lack of state regulation: Implications and impacts

The economic success achieved in a country without state regulation is surprising, but it should not obscure the fact that many sectors are abusing this situation and exploiting Somalia's natural resources. For example, in the regions around the port of Kismayo in Southern Somalia and the former capital Mogadishu, trade in charcoal, known to many in Somalia as «black gold», has developed into a very lucrative line of business. Every month, shiploads of charcoal are exported to the neighbouring Arab states. Port fees and taxes on these export goods provide a secure income for the militias and their leaders. To produce the charcoal, however, the region's few remaining acacia forests are being logged and burned, with absolutely no consideration for the consequences. It is impossible to estimate the long-term environmental damage that these activities will cause. Many of the rural communities are already feeling the negative impacts of the charcoal-burning for themselves – increasing aridity of pastureland, for example, and greater water scarcity – but

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selling the charcoal safeguards survival, at least for the time being.

Charcoal-burning and its impacts are the subject of intense debate throughout Somalia. Clan elders have attempted to control the logging and charcoal-burning, but so far without success. This clearly signals the limits of local regulation. In Somalia, short-termism prevails. The highly unpredictable situation created by the civil war makes it impossible to undertake any long-term production planning, and in the absence of any legal controls or regulation, everyone seizes every opportunity to safeguard their own livelihoods.

As the Somali economy gradually recovers, the benefits of statelessness appear to be diminishing. At present, businesses in Somalia are having to invest heavily in protecting their trade and commercial interests. They often recruit militias of their own and take on a substantial share of the financial burden of the local self-administration. The fact that many Somalis who do not benefit directly from Somalia's current lawlessness still view the absence of any state regulation as an advantage is probably due to the widespread lack of confidence in modern institutions.

After their experience of dictatorial rule and a centrally planned economy, many Somalis remain sceptical about the reconstruction of a functioning state, and there is still considerable uncertainty about the type of institutional architecture which should be established. This scepticism may be understandable, but it distracts attention from the numerous and substantial disadvantages associated with statelessness, which include not just the continuing lack of legal stability and access to health-care and education. Somalia is not represented in any international organization or other institution, which means that the rights and interests of the state of Somalia cannot be defended in the international arena. One outcome of this situation in the fisheries sector, for example, is that Korean and Japanese trawlers can fish unhindered in Somalia's coastal waters, and that radioactive and other hazardous waste can be dumped with impunity off its coasts.

So to drive forward the peace process, it is important to explain the disadvantages of statelessness more clearly to the various interest groups. The advantages of a state under the rule of law should also be publicized more effectively, with the aim of ensuring that all social groups in Somalia, not only the business community, can benefit from a well-governed state.

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This article presents the personal opinion of the authors and does not necessarily reflect the official position of GTZ.



Photo: Bahonyi