SIRC HORN OF AFRICA CONFERENCE
REPORTS

Number 4

__H__orn of __A__frica __C__onference: Good Governance and the Rule of Law as keys to Peace, Democratization and Sustainable Development
Conference Report Edited by Dr. Ulf Johansson Dahre, Department of Sociology, Lund University
14-16 October 2005, in Lund, Sweden

Ethiopia   **Djibouti**   **Somalia**   **Sudan**   **Eritrea**

In Co-operation with:

Horn of African associations in Lund, Sweden

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Acknowledgement

A short time before the 2005 conference, our dear colleague, Mr. Ahmed Zarouk, Board Member of the Sudanese Association in Lund, suddenly and very sadly passed away. We want to express our warmest condolences to the family of Mr. Ahmed Zaouk, who inspired us with his enthusiasm and experience of the Horn of Africa. He will be greatly missed!

Introduction of the conference report

The 4th annual Somalia International Rehabilitation Centre (SIRC) Conference of the Horn of Africa focused on "Good Governance and the Rule of law" as keys to peace, development and sustainable development. The conference was held in Lund, Sweden, October 14-16, 2005. The content of this volume reflects some of the views and proceedings presented at the conference.

In the post-colonial era in Africa it has become increasingly clear that maybe the most pressing challenge for the world community is that posed by the reconstruction of so-called failed states. In the Horn of Africa several of the states qualify at least in theory as collapsed, failed, failing or weak states. These states are faced by numerous pressing problems with intra- and international consequences, such as civil wars, terrorism, poverty, environmental degradation, crime, disease and illegal migration, just to name the most obvious. If these problems are caused by the fact that the states have failed, then solving the problems requires us to think about what exactly failed and how do we reconstruct these states so the pressing social, political and economic problems can be solved. The delegates at the 2005 conference on The Horn of Africa spent considerable time thinking and arguing about the nature of failure, its causes and consequences and not least, how to reconstruct states to a level of good governance, the rule of law and respect for human rights.

The papers presented in this report aim at understanding the nature of failed states and how to reconstruct them. The contributors seem to agree on certain factors that define a failed state, such as bad governance, lack of the rule of law, continual conflicts, poverty, weak political and economic institutions, weak and corrupt political leadership, disunity among citizens, and more. Standing in front of these problems, the contributors, such as Christopher Clapham, ask: "Where do we start, if we are trying to build a framework of stable and accountable government in this extremely unpromising part of Africa?" That is not to say that the contributors in their respective papers shy away from the current problems of the states in the Horn of Africa. On the contrary the contributors are characterized by a commitment to discuss and analyze all important and controversial aspects of the causes and solutions of failed states. And this is impressive in an era when it sometimes seems as if the international community has given up hope of restoring good governance, the rule of law and human rights in this part of the world. And this also reminds us of the gargantuan task in front of us, as Christopher Clapham so eloquently expresses it: "We should not however delude ourselves into supposing that this will be anything but an extremely difficult task to achieve".

At this point we naturally have to ask ourselves what is a failed state? The empirical and theoretically grounded discussion of the phenomenon does not always seem to have the same thing in mind when using the term failed state. Many definitions seem to consist of examples, like Somalia, with no clear argument about the underlying principles showing what a failed state is and what such states have in common. Some theoretically developed definitions on the other hand are usually brief or propose principles that lead to the conclusion that some states have only failed in certain areas of their governance and not completely. Robert I. Rotberg suggests that "nation-states fail when they are consumed by internal violence and cease delivering positive

political goods to their inhabitants" (Rotberg, 2004:1). Thus, a failed state is characterized by tense and deep conflicts between communities and a growth of criminal violence. Some failing states may actually collapse. This is a rare situation. In the contemporary world, only Somalia qualifies for this epithet, according to Rotberg (2004:11). State collapse and failure do not happen overnight. They are the result of a long period of decay, and the decline of some social and political processes are more important than others in this. Studies propose three main indicators of failure: (1) when the nation-state favours a closed economic system, with low international trade, (2) when infant mortality rates are higher than the international median, and (3) when the state is undemocratic (Rotberg, 2004:21).

However, failed states can be recovered. And as the contributors in this volume indicate, there are certain steps to be taken in the reconstruction process. For a start, the reconstruction process obviously requires basic political will and international aid. If this is lacking it is going to be difficult to get the reconstruction up and going. When it comes to what the reconstruction process itself should be about, some studies show the necessity of re-establishing basic political, judicial and economic institutions. Once there is a more peaceful environment, trust has to be restored. And trust is often based on justice and equality. In this area the concepts of Good Governance and the Rule of Law are intimately linked to each other. The good governor acts according to the rule of law and trust is built upon the certainty among people that rules apply equally to every citizen and that the government also follows the rules it has established. Economic recovery requires among other issues; financial stabilization, rehabilitation/reconstruction and development. And as some of the contributors suggest, this can not happen if the international community is not involved in the reconstruction process.

Even if the present situation sometimes looks bleak, the contributors to this volume generally agree that revival and reconstruction are possible outcomes. The chapters demonstrate why the states in the Horn of Africa have failed or are failing and how they can be reconstructed. There are articles presenting more general overviews of the problem of good governance, human rights and reconstruction of states and there are articles dealing with certain issues and countries. Eritrea, Ethiopia, Somalia and Sudan are dealt with in this report.

The chapters

The report is divided into three thematic parts. The first part consists of overviews of the prospects for peace, democracy and human rights in the Horn of Africa.

In the one chapter, Morgan Johansson introduces different aspects of human rights in connection with the rule of law as central parts of a modern democratic state. Human rights consist not only of the liberal political rights such as freedom of religion, freedom of the press etc but also of social and economic rights, women's rights and rights related to environmental issues. The implementation of human rights is acknowledged by Johansson to be a huge and difficult task. One might add that this also goes for a state like Sweden, but nevertheless, according to Johansson, human rights is a vision that we all must strive for, because it is worth living and dying for.

Lars Ronnås, in chapter two**,** discussing the prospects of peace and development in the Horn of Africa, argues that today there are positive images of Africa, despite the massive negative picture one gets from mass media, that need to be expressed, namely that there is a reinforced determination among African states to take charge of their own future. Ronnås also points to

certain factors that need to be fulfilled in order to achieve a peaceful environment that can be the base for necessary economic, social and political development, such as a common will to resolve armed conflicts through negotiation, enlightened political leadership, respect for human rights, and tolerance for cultural and religious diversity.

In chapter three, Amare Tekle, presents views on the international aspects of the rule of law and good governance in relation to the conflict between Eritrea and Ethiopia. While it is an official Eritrean perspective on the conflict, the statement opens up for solving the dispute through dialogue. The question remains what the Ethiopian view is on the conflict and how it should be solved. Maybe the SIRC conference can contribute to the dialogue between these two countries and the peaceful solution of the conflict?

In chapter four, Johana Leander points out those weak states may find it problematic to deal with the issue of hiv/aids, but the epidemic also threatens to further weaken state structures and opportunities for democratic governance.
- Population feels no sense of unity
- Government considered illegitimate
- Lack of efficient institutional capacity to provide security to citizens (protect them from being infected with hiv)
- Internal threats (i.e. hiv/aids)

In chapter five, the speaker of the Transitional Federal Parliament of Somalia, Sharif Hassan Shiekh Aden, gives on overview of the current political developments in Somalia. Aden discusses the inauguration of the transitional federal parliament, the reconciliation process, and how the transitional parliament is working with dialogue with the civil society in trying to restore peace, transparency, and trust at national, regional and local levels.

In chapter six, Martin Hill underlines the important aims of the conference, as taking steps towards resolving conflicts, towards inclusion, accommodating differences and finding common ground for peace, and the realization of human rights in the Horn. Hill also gives a brief description of the violations of human rights in the Horn of Africa during the last decade or so. In this period people in general and not the least, outspoken human rights defenders, have suffered from violence by government authorities. Especially women's rights are violated as governments gives lip service to these issues and as harmful traditional practices such as female genital mutilation, continue to be practised extensively in many countries. Despite the difficulties human rights defenders have working in the region, Hill appeals at the end to everyone to become a human rights defender. By that he seems to insist that we all have to speak up when we see violations occurring. The implication is that silence is consenting to the violations.

Part two of the report deals with the issues of good governance, the rule of law and the importance of implementing these concepts in the reconstruction of the failed states in the Horn of Africa.

Christopher Clapham, in chapter seven, challenges the idea that the Western liberal concepts of good governance and the rule of law are automatically well suited for the specific cultural context provided for in the Horn of Africa. This may seem to be a critique of a western naiveté of the universality of human rights for instance, but Clapham argues that the extension of these concepts represents an improvement in the political agenda of the region, where the access to arms used to be or maybe still is in some cases, the most effective way of controlling the political

arena. Furthermore, Clapham argues that political change is necessary, but facing the enormous task this is, he asks where we can start to build a new stable and accountable government framework in the respective countries in the region? This is of course the central question of the conference and the papers in this report. The answer Clapham outlines is that the concepts are important, but they are not easily adapted to a different cultural environment. According to Clapham, governance is not just a matter of applying standard rules or just a matter of regulating the behaviour of governing elites. If the concepts of good governance and the rule of law will have any effect depends on their integration into the culture of the individual societies. The implementation has to come bottom-up and not be imposed top-down. The changes must come from within if states like Somalia are ever to be reconstituted, argues Clapham.

In chapter eight, Dr. Al Sadig Al Mahdi, stressed that the stability of the Nation State and its viability rests on four conditions. 1) Security 2) Provision of livelihood. 3) Leadership acceptable to the population and 4) Workable foreign international relationships. In our time these qualifications are enhanced because of the need for good governors. It is no longer possible to sustain a viable state without the conditions needed for good governance and these are a) participation, b) accountability, c) transparency, d) the rule of law, e) viable economic performance, and f) viable justice. The state has to provide a degree of social justice to be able to stabilize itself.

Many states have failed in the above-mentioned terms. The world cannot stand by and observe this phenomenon because failing states will lead to warring factions or inevitably become host to terrorist activities. So it is now part and parcel of international security to seek the construction of a viable state

In chapter nine, Maxi Schoeman, discusses the role of the international community in rebuilding failed states. A failed state is defined as a country with political, economic, religious and ethnic collapsed patterns. This situation is often the consequence of internal conflicts. A failed state is, according to Schoeman, characterized by an inability to sustain itself as a member of the international community. Countries that have failed, but are being rebuilt are for example East Timor, Mozambique and Sierra Leone. Schoeman explores how the international community can provide assistance to failed states. This assistance, argues Schoeman, must be integrated with domestic efforts to rebuild the state. Schoeman lists a number of lessons learned from several other efforts to rebuild states, such as peacekeeping, restriction on the sales of commodities that fuel conflict, generous aid, establishing the rule of law and international peace guarantors when the initial peacekeeping forces have pulled out from the country. There needs to be a backup, argues Schoeman, in case the conflict ignites again. Considering these basic factors for rebuilding a state the international community clearly has an important role to play.

Janis Grobelaar, in chapter ten, is concerned with questions relating to building and rebuilding societies so that all people can enjoy the opportunity of living decent lives. For Grobelaar the building of a society requires an articulated and apparent consensus of the societal needs for such reconstruction to take place. There has to be key institutions and relations, social cohesion which is the foundation for the state to be viable over time. Grobelaar identifies several key elements and processes that the failed state needs to accomplish in the reconstruction: the role of shared values and norms; some sort of regulative force that can keep stability and at the same time be legitimate in the eyes of the citizens; and the rule of law and due process. People have to know what the rules of the game are and that also the government and its authorities are acting within the framework of the law. Grobelaar also brings up a difficult and controversial matter in relation

to the question of the rule of law, and that is how to deal with the question of accountability and impunity of former governments. There are two major theories in this field: One is arguing that impunity is necessary in some instances for the society to be able to move on. The South African post-apartheid experience is so far the most prominent example that this theory of reconciliation can work, at least in a short-term perspective. The Charles Taylor case in Liberia is also a case in point. The other major theory reasons that retribution and justice must be implemented if the society as a whole is to be able to move on and be reconciled with its past. If criminality and banditry is not put before the law, people will have difficulties in seeing the political and legal system as legitimate. Finally, Grobelaar argues that rebuilding societies not only requires remedying the past, but also concerns the future. And for children the future lies very much in education. Without education, there can be no reconstructed societies and this is at the same time the most difficult challenge for the states in the region.

Lisa Magloff's article in chapter eleven is about the vulnerability of a state after emerging from periods of conflicts. A critical issue for any such state is how to avoid renewed conflicts as the state lacks basic infrastructure, public revenues, government capacity and investor interests. The critical issue must be to create an atmosphere that lessens the risks of further conflict, argues Magloff. A major factor in avoiding renewed conflict is investments. Investments can be both general aid and business directed. As poverty is identified as a major cause of conflict it is necessary to adopt a policy of poverty reduction. In several case-studies of so-called rebel states Magloff shows how an open investment atmosphere can reduce the risk of renewed conflicts.

In chapter twelve, Abdi Ismail Samatar argues that reversing the various abuses of the rule of law institutions of the Horn of Africa states is essential in the reconstruction of good governance. In order to find a solution to reinstitute good governance and the rule of law in Somalia, Samatar sketches the post-colonial political history and why the democratic institutions failed and could not prevent the outbreak of civil war. And he also argues that much of the advice regarding the reconstruction of Somalia is inappropriate because they focus too much on the idiom of a clan-based strategy and the role of the clans in Somali politics. Samatar instead suggests another strategy for dealing with the reconstruction of the common national political arena. He makes a distinction between two types of ethnic identity. Samatar argues that there is a non-state centric tradition based on shared values not legally defined. The alternative is an identity legally sanctioned by the state. According to Samatar this "citizenry" could be a way out of the ethnic clinch the country is finding itself in today, while confusing and mixing culture and politics. He argues that culture and ethnicity should not have a central role to play in national politics if Somalia is going to overcome its differences. The politics of culture was a colonial policy and to become truly post-colonial Somalia has to move to politics based on common value denominators instead of separatist ethnic identities.

Mohamoud Ahmed Nur, in chapter thirteen, presents a critical perspective on the reconciliation process in Somalia. Nur argues that this process has been compromised from the outset, both in terms of the people actually involved in the process and by the not so well intended motives of the neighbouring countries taking part in this process. Nur also discusses the implications of good governance and he also proposes certain steps to be taken in the reconstruction of the state of Somalia. What should be done in Somalia? Nur's list consists of four steps: the international community should be involved, instruction of a proper power sharing, ministers of the government should not be members of parliament at the same time, and MPs should be financially independent of the president or prime minister.

In chapter fourteen, Kinfe Abraham discusses good governance, decentralized federal democracy and the rule of law in Ethiopia. Abraham argues that Ethiopia and the rest of Africa face critical human rights challenges. The cause of the current problems is prolonged conflicts, weak public institutions and disunity among different ethnic groups. However, Abraham also points to the fact that a change has taken place in Ethiopia in recent years and that people desire good governance. There has been a liberalization of the economy, revision of the investment laws, improvements in the legal system, and a reviewing of the financial sector. These reforms have led to steps being taken in a democratic way. The government has a defined terrain of accountability and is upholding the rule of law. The political decentralization process recognizes the equality of the different nationalities and that they should be able to determine their own status in a federal structure. There should also be an elected government and the implementation of the individual freedom of religion is part of this package deal.

In chapter fifteen, Amira Awad Osman looks at the connection between good governance and displacement in Sudan. Osman argues that the government has through its institutions manipulated, abused and used the law against displaced people in order to force them to leave and seek refuge elsewhere. About 15 per cent of the population are displaced As the displaced people in Sudan suffer from human rights violations, Osman suggest that the reestablishment of good governance, with its democratic, human rights and justice implications, should be a prerequisite in treating the displaced as equal citizens with rights to housing and livelihood. Osman also presents a list of recommendations for a good governance policy in Sudan regarding displaced people.

Part three deals with different prospects of development in the Horn of Africa. The contributors agree that the Horn is rich in natural resources and economic activities. Nevertheless, hunger, poverty, and environmental degradation characterize the current situation. The contributors in this part analyze the root causes of the present predicaments and look at strategies for solving the paradox of being rich in theory but poor in practice.

In chapter sixteen, Mengistu Woube, discusses the connection between environmental degradation, poverty and hunger. Hunger affects millions of people and the international aid is not enough and certainly not the long-term solution to a permanently pending crisis. The root cause of hunger, according to Woube, is poverty. Poverty is not only about the material and financial situation, but also about poverty of knowledge and moral/ethical poverty. The reason for the present situation of poverty is the decline of cultural and social institutions that formerly provided people with necessities and distributed natural resources and land. Due to policy changes, these institutions are no longer present or have any way lost their central role and impact in the societies in the Horn. The solution to these problems, suggests Woube, is a programme of action containing several urgently required actions, such as an international financial aid package similar to the Marshall Plan, and the establishment of a new autonomous agency that allocates and distributes the aid. Other urgent actions according to Woube are good governance with an understanding of present and traditional institutions, and land and water conservation and development strategies.

Abraham Kiflemariam, in chapter seventeen, discusses how non-literate peasants apply their own political and judicial institutions addressing collective political problems in Eritrea. The fundamental question we encounter in his article is why non-literate peasants succeed in developing their own good governance structures while the failures of the states of the Horn of Africa are all too evident? Kiflemariam's empirical study of Ghedged, a small village republic

on the Red Sea coastal plains, resembling a mini-state, certainly underlines what can learned in regard to good governance and reconstruction of states. People want to have good governance, rule of law, transparency and accountability. And it is possible to reach those goals under circumstances where people are in charge of their own development, argues Kiflemariam.

In chapter eighteen, Abdi Jama Ghedi, analyzes the links between migration and development. Ghedi argues that a properly managed migration can deliver major benefits in terms of development and poverty reduction. His study is concerned with Somalia and the development role of the Diaspora-induced remittances. In some developing countries remittances from the Diaspora account for more than ten per cent of GDP. The most important effects of remittances are their impact on income and poverty levels in the receiving countries. In Somalia the remittance sector provides basic financial services, due to the lack of a central government and banking system. But this situation also poses some basic challenges for the country. The remittance companies do not apply the same operating standards and do not necessarily comply with rules and regulations of the host country. Ghedi argues that the remittance sector has to comply with host country regulations if this going to be an important poverty reduction development in the long-term.

In the last chapter ninteen, Christian Webersik, examines the role of the Somali business class and its links with the environment, conflicts and statelessness in Somalia. In analyzing these intriguing links Webersik takes a close look at charcoal production. Charcoal production can trigger conflicts in producing areas, argues Webersik, but at the same time it builds trust among the business elites in urban areas. There is no functioning state in Somalia. But there is a thriving economy based on trade and arbitrage rather than production. The result of this is that the business elites have taken over basic functions of the state. Charcoal production plays an important role in the contemporary landscape of conflicts in Somalia. The charcoal trade favours the already powerful elites without benefiting local people. Local communities have responded to this situation by resistance, often leading to armed conflicts. But even if the business elites are thriving at the moment, this situation cannot be sustained for long. Business needs effective government, the rule of law and social responsibility, argues Webersik. He suggests that the business elites should have a stake in the well-being of the Somali people through tax revenues, and creating job opportunities. And Webersik shows from his empirical study that Somali businessmen have already taken initiatives to create an enabling social responsible environment.

In addition to the proposals of the respective contributors, the four workshops that held negotiations during the conference also presented recommendations for future action in the reconstruction of the states in the Horn of Africa.

WORKSHOP RECOMMENDATIONS

Workshop 1

Workshop1 recommendation moderated by Prof. Arne Ardeberg, Lund University

Governance and Reconstruction of the State of Somalia

The governance and reconstruction of the state of Somalia was during the conference given special attention. A half day workshop was entirely devoted to the topic. The conference was attended by 100 delegates, citizen of the Horn of Africa, citizens of Sweden and other countries with roots in the Horn of Africa as well as from Sweden and other countries without roots of but with a strong interest in the Horn of Africa.

Especially, the conference benefited from the presence of Hon. Hassan Sheikh Aden, Somali Transitional Federal Parliament Speaker and other members of the Somali Parliament. They took every active part in the conference and workshop on the governance and reconstruction of Somalia.

The workshop on the governance and reconstruction of the state of Somalia as attended by a great number of delegates. The discussion in the workshop was highly vivid, open and frank. It was also explicitly resulted-oriented. Following two and a half hours of exchange of opinions and arguments, opinions found a rapid convergence.   All delegates unanimously supported the adoption of the general conclusions, and detailed below:

Governance and reconstruction of State of Somalia –Conclusions

1. We all share a moral obligation to use the momentum of the conference, the visit and participation of the Hon. Sharif Hassan Sheikh Aden, Somali Transitional Federal Parliament Speaker and parliament delegates with him, and completely convergent results of the workshop.

2. Our obligation is to solicit an official Swedish mediation initiative, with or without the participation of the United Nations Security Council. The aim of the mediation is to foster an improved atmosphere of co-operation between the political parties involved in the current transitional governing of the State of Somalia.

3. We direct our solicitation to the Swedish Government

4. As a special consultant, we propose Prof. Abdi Ismail Samatar, Minnesota University.

Workshop 2

Workshop2 recommendations moderated by Prof. Maxi Shoeman, Prestoria University

Governace and Reconstructed of a ailed State

The discussion focused mainly on the case of Sudan, with a heavy emphasis on the '*un*-comprehensiveness of the so-called comprehensive peace agreement (CPA). A peace agreement is *per se* part of governance and if it is not comprehensive, it will not result in *good* governance. Of particular concern was the fact that the CPA does not provide for DDR and for the resettlement of internally displaced people (IDPs) (and shows very little concern for the precarious of women as IDPs). There are 4 million displaced people in Sudan. Mention was also made of the fact that up to 80% of the people of Somalia are internally displaced. In the case of Sudan, concern was raised that IDPs become 'an issue of leverage' between the North and the South, and the Darfur issue is not dealt with – it is dealt with separately, with negotiations under the auspices of Nigeria. The exclusion of the issue from the CPA is seen as problematic.

Four critical issues were identified in terms of rebuilding failed states in the Horn of Africa:

The re-establishment of law and order
The need for a shared ideology – a sense of what the country is to 'become'.
Decentralisation and devolvement of government: centralised nation states have largely failed in the Horn.

A regional pact is necessary in order to guarantee regional security; without regional security (e.g. a guarantee that states will not support insurgencies and rebel movements in neighbouring states) peace-building and state reconstruction will not be possible.
The position of women is particularly precarious and little or no support is forthcoming to those who are displaced and who try to return to their homes.

On the basis of the above discussion on conditions within Sudan and other states in the Horn of Africa, the following general comments and recommendations were made:

- The starting-point of rebuilding a failed state is the need for a shared ideology or ideas-framework: a sense of what the country needs to 'become', an agreement on a vision for the future.

- A peace agreement should be genuinely comprehensive, taking into account the causes of failure and conflict, but also the effects of failure. The question of displaced people, therefore, needs to be a priority.

- There is a need for building decentralised states, focusing on the most efficient levels of providing political goods to citizens.

- The development of civil society should be supported and encouraged.

- There is a need for cultural transformation in the sense of promoting tolerance.

Economic justice is of importance and the development of a social market must be encouraged.

- At the regional level a regional pact is necessary in order to guarantee regional security that would allow the rebuilding of failed states.

- The African Union (AU) should implement its various aims and objectives by activating its different mechanisms aimed at promoting human rights and protecting refugees and internally displaced persons. External involvement should be based on the agreement reached internally on a vision for the future.

- In all of the above matters the position of women should be taken into account.

Workshop 3

Conference recommendation from Workshop 3 moderated by Prof. Janis Grobbelaar, Prestoria University

Theme: *Building effective trust in the aftermath of the sever conflicts*

Only one of two expected papers was presented. Associate professor Alia Ahmad presented a paper on "Women and governance". She highlighted the role of women as the bearers of key values in terms of socialization, norm building and conflict prevention.

The workshop participants discussed varies issues related to the topic. In the light of the complexities of these matters the question of either simple or clear-cut recommendations remains illusive.

The nature of the subject cross cuts various institutions and therefore requires a multi-sectoral approach to identify the modalities for trust building in the Horn region. Among these the following issues were emphasised:

- Involve women in peace making process and empower them economically using the recognised models of micro credit systems, land ownership etc. Invest in women through education. This will yield good social capital and facilitate effective trust building process.

- The leaders of these nations have to be very good role models. The crucial importance of the expansion of the right to life, human freedom, freedom of choice, respect for human rights and gender equity are fundamental prerequisites for lasting peace and economic growth.

- Policy makers have to ensure that there is equal opportunity for all in terms of education, health care. Learning opportunities for those in need and in consequence education for all in turn influences the quality of freedom that people enjoy. This approach will improve trust both among the population between one another and towards the state/government.

- Stimulate the process of mobilising the society towards communalities and common values. Emphasise what we share rather than what divides us. This is a crucial requirement for co-existence. The importance of shared and common humanity cannot be overemphasised. Foster the culture of dialog and negotiation also by drawing on tribal traditions in this regard: i.e. "to sit and talk"/negotiate. Note well "every thing should be on the table" and open for discussion.

Workshop 4

Worksho 4 on the rule of governance in eradicating poverty
Moderator: Prof. Ole Elgström, Lund University

Papers presented by:
- Lisa Magloff, Kings College London
The role of international business and the state sector in post-conflict reconstruction
- Farah Abulsamed, University of East London
The role of good governance in poverty eradication
- Abdi Jama Ghedi, Sewden
Diasporas-induced development, remittance and poverty reduction in Somalia
- Mengistu Woube
Enviromental deterioration and hunger in the horn of Africa. The need for survival stratigies

Recommendations:
The interplay between Diasporas, local entrepreneurs and firms is important and needs to be further analysed, especially as to how these resources may be tabulated and improved.

Concerning the diasporas and remittance:
- Comprehensive cooperation between donors.
- Reduction of transfer fees.
- Good direction of remittance e.g. to health, education and environmental issues.
- Encouraging the transfer of funds through official channels.

Concerning good governance:
- Political reform
- Good leadership
- Democracy (people has to control their life's)
- Human rights

Environmental issues and needed survival strategies:
- Focus on environmental degradation and not least practical knowledge badly needed.
- Tasks based on priority and needs.
- Commitment to environmental issues.
- Thinking globally and act locally (more practical).
- Concrete realistic practical ways.
- The negative effects of Kat need to be addressed.
- The negative effects of cash crops need to be considered and addressed.
- Post-conference practical action plan.needed

OPENING STATEMENTS OF THE CONFERENCE

Opening remarks
Larry Andow, Mayor City of Lund

Distinguished guests,

Ladies and Gentlemen,

As Mayor of Lund, it is an honour and a pleasure for me, to welcome you all to our City and to your Congress.

The world of today is really concerned about Africa's Horn.
It is important to solve all conflicts in a human and peaceful way. We must secure a safe life for millions of people.
I am happy that Sweden contributes to promote peace, human rights, health and education in the area.

Lund is one of the oldest cities in the Nordic Countries –more than 1.000 years old!

We have about 35.000 students at the university in a city with 100.000 inhabitants. That gives our city a fresh and young look.

This combination of old and young gives Lund a special atmosphere: "The Spirit of Lund".   I am convinced that you will feel it during your visit!

I hope you during your stay will have the possibility to walk in our city centre, to visit the Cathedral and get a little taste of Lund.

I hope you will like our city –and that you will return in the future. You are always welcome here!

Lund is very often refereed to as "The City of Ideas". It is a multicultural city full of life.

It is a wonderful place to discover, live in and meet in. Here you can with success exchange thoughts, ideas and knowledge.

International well-known companies like Tetra Pak, Ericsson, Gambro and Alfa-Laval are situated here.

The Research Park Ideon has generated over 500 companies, mainly within information technology, telecommunications and biotechnology.

For an international Conference, such as yours, I think Lund can offer very good conditions.

We appreciate very much your presence and we hope you will have successful discussions.

I will personally, with the greatest interest, follow your discussions and conclusions.

And I will have the privilege and honour to invite a delegation from you to a reception this evening.

Good luck with your Conference,

Welcome to Lund and

Enjoy your visit in our city!

Dear Ladies and Gentleman,

On behalf of the organizers, including Horn of African scholars, local Horn of African associations in Lund and Somalia International Rehabilitation Centre, I would like to thank each one of you for accepting our invitation and for your participation at the conference. It is with great interest we are looking forward to listen to your contributions during our fourth consecutive conference here in Lund.

When we met here last time, about a year ago, we discussed different and needed ideas for how Horn of Africa can move from a culture of war to a culture of peace. At that time, we were currently witnessing a number of on-going conflicts and tensions in the region. Many of those are still highly present and in great need for being solved. Without going into specifics, we have not moved many inches onto the path towards peace.

This is another unfortunate evidence for how important it is for us to gather in these kinds of forums as often as possible to keep the dialogue going. We also need to keep the dialogue going beyond military and security priorities to address issues of governance, democratic legitimacy, social inclusion and economic equity. At earlier conferences we have learnt the deep-rooted causes to conflicts in the region have changed over the decades from "a classic ethno-religious conflict to one primarily over resources." It is therefore important to continue the dialogue and look toward some of the mechanisms for dealing with the "conflict over resources", and respect for "social justice", which guarantees a fair distribution of resources and reflects the increasing problem with marginalization of groups. For this reason, SIRC decided to focus its fourth conference on *Good Governance.*

Most of the world's inhabitants are unable to hold their governments accountable, to participate in or influence their governments, or to use electoral mechanisms to bring about significant changes in the manner in which they are governed. Thus governance becomes at best a capricious endeavour and, for so many of the peoples of developing world, especially the poorest and the most afflicted by war and disease, a synonym for autocracy and despotism.

Leaders are sometimes indifferent to the progress of their citizens, and who use power as an end in itself, rather than for the public good, often create the seeds of conflicts. The Horn of Africa is dangerously vulnerable is this respect. Speakers at this conference have in the past reflected on this issue, noting it is becoming a worsening problem throughout the region. Strengthening

governance directly improves the lives of the governed, especially the poorer inhabitants of the least developed nations.[1]

The Horn of African region faces many challenges on the road towards democracy and sustainable development. In 2003, the World Bank produced a study[2] measuring indicators for governance for almost 200 countries:
In each category, Djibouti, Eritrea, Ethiopia, Sudan, Somalia had a desperately low performance. Unfortunately, both Ethiopia and Eritrea performed worse in 2002 than in 1996, whereas both the Sudan and Somalia improved slightly during the same period. However, both the Sudan and Somalia fall far behind Eritrea and Djibouti in this study. Djibouti is the only country, which fares relatively better compared to the other countries from Horn of Africa.[3]

In recent years, the New Partnership for Africa's Development (NEPAD) developed an approach for successful political and economic development. It aims to uphold good governance. African leaders have agreed to work together in policy and action in pursuit of developing democracy and good political governance. They have stressed that they are committed to promote democracy and its core values, and work with renewed determination to enforce[4]:

NEPAD will play an important role in the development of the democratic process and good governance in Africa. But, the success of NEPAD will never be greater than the willingness among African leaders to comply with and adhere to the principles of democracy and good governance. As we have discussed at this conference in the past, good governance goes hand in hand with good leadership.

SIRC has in the past successfully invited many prominent speakers from the Horn of Africa, Europe, and the United States with different expertise. We continue aiming to invite diplomats, policy-makers, scholars and practitioners.

The conference aims to:
The *overall objective* of the conference is to create an environment conducive to democracy and sustainable development in the Horn of Africa.
The *purpose of the* conferenc*e* is to enhance the capacity of the leading stakeholders with new ideas and tools to enable them to act progressively and effectively in favor of good governance; and effect long-term institutional change in the Horn of Africa that can respond to the needs of governance.

The *result* of the conference is that organizations and individuals should have engaged in dialogue across national, ethnic, religious and ideological boundaries; forged ties and built trust that can facilitate political and social cooperation; shared information and ideas with each other; and acquired a benevolent way of thinking about the role of good governance for building trust between governments and citizens, as well as for creating legitimacy of local, regional and national governments.

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[1] Robert Rotberg, "The Good Governance Problem: Doing Something About It," World Peace Foundation Report 39, 2004.
[2] D. Kaufmann, A. Kraay, and M. Mastruzzi 2003: Governance Matters III: Governance Indicators for 1996-2002.
[3] *Ibid.*
[4] http://www.nepad.org/documents/3.pdf

The conference seeks to generate recommendations that can be translated into specific projects. The conference also seeks to provide a report with an analysis of the presented speeches and workshops on governance. The report will be available on SIRC's website, as well as distributed among Swedish university libraries, the main universities in the Horn of Africa, IGAD, African Union, EU, UN, international NGOs, Horn of African embassies and governments. It will also be distributed on request.

Last but least, the conference offers on Saturday an evening with music and dance from Horn of Africa. Throughout the conference, art, handcraft and literature from the Horn of Africa will be exhibited. We will also serve local dishes from the Horn of Africa.

Finally, together with the City of Lund which is committed to promoting peace in the Horn of Africa, we would like to thank the donors of the conference – Folke Bernadotte Academy, Forum Syd/Sida, Folkuniversitetet in Lund, Olof Palmes International Centre, Lund University, ABF Lund, for their support to make this conference possible to organize. Your support is greatly appreciated. Now, it is a great honour for us to call upon the Mayor of City of Lund, Hon. Larry Andow, to open the conference.
Thank you!

PART I
Peace, Democratization and Development in the Horn of Africa

State building, Democracy and Rule of Law
Morgan Johansson

Dear friends,

First of all, let me welcome you again to the city of Lund. As you may know this is my hometown, and I am proud of the role that the City plays in these meeting.

I can welcome back to some of you, because some of you have attended conferences here before, maybe even the one I addressed in May 2002. I feel quite at home in this building. I used to be a member of the City Council, and as you probable know, the assembly weekly meets here. So, standing here again makes me almost feel a bit nostalgic.

After the years in the City Council, I was elected to our National Parliament – Riksdagen - in 1998, and it was in that capacity I addressed the conference three years ago. When we won the election again, later that year, in 2002, I was appointed minister for public health and social services. So, I have served as a member of the government since October 2002.

I am not going to tell you things about Africa. I have not got the competence for that. You are the experts there. The only things I know about the situation in the countries on Africa's Horn – Somalia, Ethiopia, Eritrea, Sudan and Djibouti – have I read in papers and books. To fully understand a country, its people and its culture – you must have been brought up there. And not even then it is easy to take in all the historical, cultural, social and political factors that you need to analyse a situation correct, and to create policy that will work, and that will make a difference.

Hence, I wont even try to give you advice of what to do. Luckily for me, the organisers have not asked me to do so either. They have asked me to give some general comments on the concept of state building, democracy and rule of law. So that is what I am going to do.

Let me first say that I really appreciate your tireless efforts to bring about peace, democracy and human rights in the countries on Africa's Horn. We all know that there is a long way to these goals – but we can see some flashes of light, even though the setbacks, for instance in Somalia, are numerous. But there are also reasons for optimism, and we constantly have to build on all constructive initiatives to bring progress.

What are our ultimate goals? Well, it is nothing more and nothing less, than to create a world where every single human being, men and women, children and adults, are having their basic human rights respected. That is quite a huge task, but that is a vision that we all must strive for. It is a vision worth living for. It is a vision worth dying for. But what are the human rights? Well, it

is the political rights – freedom to speech, freedom of organising, right to vote, to run for political office and so on.

But it is also the social rights – the right to education, to a way of making your living, to have roof over your head and to have food on your table. And it is the cultural and religious rights – to express your religious beliefs openly without being harassed, to live according to your traditions as long as it is not in conflict with other human rights.

Human rights are also women's rights. The right not to be mutilated. The right not to be beaten up by your husband. The right to participate fully in political life and in the political forums.

Human rights are also environmental related rights. The right to live in a world that is not constantly eating out its assets, and slowly suffocating because of climate change, pollution, devastation of rainforests or spreading of deserts.

This is our mission. This is our vision. But it is certainly easier said than done…

How do we bring this about? Well there is a reason why I a stated with the political rights. Because I think that there is only one way to achieve any of these goals in a society, and that is to have strong democratic institutions. But then: how do we create preconditions for that? Well, I made two remarks three years ago, and I am going to do it again because they are still valid.

First of all, the issue of peace. It is very simple. There can be peace without democracy, but there cannot be democracy without peace. Why is that? Because as long as a country is at war - either with it's neighbours, or in a civil war - the real power will be in the hands of the military - not in the hands of the politicians. A democracy can be at war for a shorter period of time - for instance during the Second World War, when Great Britain and the United states fought the Germans. But sooner or later - in a state at war democracy will suffer - there will come censorship of the newspapers, persecution of people who are said to collaborators with the enemy, and so on.

As long as there is war in a country, it's almost impossible to build democratic institutions. So peace is always the first step towards democracy. And when you have established democracy, the risk for war will always be smaller. For instance, we stand in Lund. This city was created by Denmark. Until the year 1658 this was Danish soil, but then the Swedish king Karl X Gustav conquered Denmark, and occupied Lund, Malmö and the whole region.

This was one of the many wars between Denmark and Sweden, and the conflict lasted for centuries - 14:th, 15:th, 16:th, 17:th, and 18:th century. Thousands and thousands of lives were lost in these wars between Sweden and Denmark. Today nobody would dream of starting a war between us again. There are many reasons, but one of them is that Denmark and Sweden are democracies. In a democracy the people rules, and the people wants peace.

For a king or a warlord, the peoples wishes are never considered - the people are just seen as the mean to get something from somebody else, that is land or assets from another king, or another warlord.

So peace is one of the conditions for democracy. The other condition is a state. There can be a state without democracy, but there cannot be a democracy without a state. Different families, or clans you might say with a different word ruled Sweden before the 16:th century. The clans, or

the families, had there own armies and controlled different regions in Sweden. Sometimes they had peace among themselves, sometimes war. They had elected a king, but he often was very weak, because the families, or to use another word again: the nobility, kept him weak. The third player in the system was the Church, which sometimes joined side with some nobility family, sometimes joined the king. The people of Sweden - farmers and workers - had no saying in the different power struggles, but just had to pay to the noble family or the king or the Church who happened to control the area or the city.

I guess you recognise this system. I guess it sounds familiar to you. This changed during the 16:th and 17:th century, when strong state institutions were created. The most important thing was that the control over the military armies became centralised, to the king. As long as you have decentralised armies, controlled by warlords, there will be civil wars now and then, and even foreign states will play the different powers against each other. And you will never be able to create strong institutions and rule of law. Instead of rule of law, you will have rule of the strongest. And democracy can never prevail.

So, peace and a state. That's the foundation of democracy. Then you can lay the cornerstones: Free and equal elections. Freedom of speech, and freedom of the mass media. The right to organise labour unions, civil organisations, political parties. Transparency in the decision-making. Rule of law, independent courts. Fight against corruption. And of course, in the centre, a strong parliament.

And then all the rest of the reforms can be put in place: reforms of social welfare – to fight poverty, reforms on women's rights – to fight oppression, reforms on environmental regulations – to fight pollution, and so on.

So there is the foundation laid out for real changes. But there is one thing that has to work or else all these reforms are in vain.

And that is the rule of law, and the judicial system. If the judicial system is weak or captured by different interest groups, corrupted or working against the reforms, then they will never be implemented. The legislations will be nothing more than letters on paper.

I was in Turkey this week, came home late Thursday night. I belong to a group appointed by the European Socialist Party, with the task to follow the beginning of the negations between the European Union and Turkey about the Turkish membership in EU. The former Prime Minister of Finland, now speaker in the Finnish parliament, mister Paavo Lipponen, and the former Minister of Foreign Affairs, mister Georgious Papandreou, leads the group. By coincidence, all three of us speak Swedish. Swedish is the second languish in Finland. So, Paavo speaks Swedish, and Georgious was brought up in Sweden – his father, Andreas, and the family lived here during the military regime in Greece – and when the country became democratic, the family returned. Andreas Papandreou became a legendary Prime Minister in Greece, and the son Georgious later became Foreign Minister. He is now also the Party leader of the Greek party PASOK.

Well, we spent two days in Turkey. We met the Prime Minister, mister Tayyip Erdogan, and the Minister of Foreign Affairs, mister Abdullah Gül. We met an member of the NGO:s in the field of Human rights and some of the party leaders.

Turkey is a country that is going through a radical change – the Prime Minister called it: *"a silent revolution"*. It used to be a country where the military had a strong position, and where the democratic institutions sometimes were more cosmetic than real. The examples of neglect of human rights were numerous. That is now changing – because of the pressure from the EU, but also because of the new political leadership in the country, which has made a number of Human rights reforms the last three years. And that is not so strange, since some of the leading politicians today, once were victims of the persecutions. The Prime Minister today, minister Erdogan, for instance, were sentenced to four months in prison in 1999 for having recited a poem written by the Turkish poet Gökalp.

Now they have made reforms in the field of freedom of speech and free media - but obviously not enough. That became apparent when we met one of the opposition parties, Hadep, the party that gathers many of the Kurdish people in Turkey. The Party leader had some 60 lawsuits hanging over him, preventing him from going abroad, forcing him to always report to the police where he is. Another example is the case against the famous Turkish writer Orhan Pamuk, who is sewed because he has written about the genocide of the Armenian people in 1915.

So there is a new legislation put in place – but these lawsuits are still being produced. How come? Well, one reason is that the new legislation is not clear enough. But equal important reason is the problems with very strong conservative structures within the Legal system. Sometimes it is obvious – the prosecutor in the Orhan Pamuk case is for instance said to be connected to the ultra-right, anti-human-right-nationalistic party, MHP, that strongly oppose democratic reforms. So these conservative, anti-democratic structures still lives within the Legal system.

So, let me come to the points where I think that the Turkish example tells us something about the ideal relations between the politicians and the Legal system should be.

First of all, Rule of Law is based on individual equity, in the face of the court. Everyone must be treated equal, to have the right to a lawyer, to presumed innocent until proven guilty, in open trials and so on.

Second, the State and the Legal system must be separated in the sense that the politicians cannot influence the verdict in individual cases. That is very important to make sure that every individual is treated equal. If a Conservative is accused for theft, or a Social democrat is accused for theft, they must be treated equal, and there should be no possibility for a government to influence the court.

Third, the Legal system should never have a political agenda of its own. I said that the courts should not be influenced by the Government in individual cases. That is true and important. But it is equally true and important that the Government and the Parliament can trust that the new legislations are really being implemented. It can't be up to the Legal system to decide what legislation that should be used, and what legislation that should be forgotten. Another Turkish example: the Parliament has declared zero-tolerance on torture. But it is very seldom that any policeman are being prosecuted for, even though we still have reports of hundreds of hundreds of cases a year of torture. Or take the example of if a Parliament says that female mutilation is a crime. Then the legal system must try to find those who commit such crimes and sentence them. The courts cannot turn a blind eye.

So the Legal system has just one loyalty, and that is to the law. On the other hand, that loyalty has to be taken seriously. So there are three principles to uphold rule of law: the right to equal treatment and fair trials, the separation of state and legal system and the loyalty of the Legal system to the law.

All this is also about avoiding the courts from being politicised. The place for politics is in the Parliament, not in the courts. The courts role is to use the legislation on individual cases, and not to play a political role of its own. All tendencies to that must be minimised. Therefore I am also sceptical to systems where the High or Supreme Court are playing a major role in law-making, in the sense that the High or Supreme court decides what legislation that goes with the Constitution, and what legislation that does not go with the Constitution. In my opinion, those decisions should not be made by lawyers in a High or Supreme court, but by politicians in the Parliament, because that is basically political decisions.

We have systems like in many countries, for instance in the USA. And these days, when there are discussions about new judges in the Supreme Court, we see obvious problems with the system. These appointments inevitable become politicised. So the whole Supreme Court becomes politicised. And that is not so strange – because the decisions that the Supreme Court makes are basically political – is affirmative action okay – or is it not? Is abortion okay – or is it not? That is not law – that is politics. But the difference between judicial politicians in the Supreme Court, and the politicians in the Congress, is that the politicians in the Congress answer to the people, but the politicians in the Supreme Court answer to no one. And that is a huge democratic problem, if you ask me.

So let me come to an end I have spoken about the preconditions for democracy. I have spoken about the principles for the rule of law. I am not sure we have solved every problem, but I hope I have given you something to think about. Once again I wish you all the best in your work for democracy and peace in the countries and among the people on Africa's Horn.

Thank you for listening

Prospects for Peace and Development in the Horn of Africa
Lars Ronnås

I am delighted to be here at this conference, and I am honoured for this invitation to address such a distinguished audience, representing a broad spectrum of knowledge and experience. To the organisers I would like to say that these conferences on the Horn of Africa have become important regular events, contributing to the ever ongoing efforts to retain and build ties between Sweden and Africa.

I have been asked to say a few words about prospects for peace and development in the Horn of Africa. Let me start with some general comments. And to ask what is the image of Africa? To many Swedes, it is a bleak one, with armed conflicts, impoverished people, misery. And whenever I mention Sudan, Somalia, Ethiopia and Eritrea, to people, who are not African specialists, but still newspaper reading neighbours or friends, what come to their minds are places of despair and hopelessness.

There is a reason to this of course. Wars have ravaged these countries. And violence continues and so does the miserable lives of millions of men, women and children. However, there is also another image of Africa, which I believe is gaining ground. And that is one of resolve. An image of a reinforced determination among African nations to stake out their own future. African leaders, African organisations, bringing a vision of peace and development.

A sense of common destiny among African nations has, of course, prevailed since colonial dominating gave way for self determination. The formation of the African Union has however demonstrated a renewed political will to move ahead in solving the many deep seated problems in Africa. This is perhaps most apparent in the field of peace and security. The African Union has been provided with a mandate that reflect a strong political will to replace the principle of non-interference with the principle of non-indifference (to use the phrase by Commissioner Djinnit).

The African Union's Constitutive Act and the Peace and Security Council are clear examples of this. An early warning system has been installed and efforts are underway to establish African Standby Force for peace keeping actions.

In Darfur, this determination is put into practise and it sets an important precedence. Here African peace keepers under the realm of the African Union are carrying out an important mission under difficult circumstances. The recent killings and abductions of African peace keepers together bring a stark message to what is at stake. Collective efforts to build peace and prosperity against those whose minds are set for destruction and killings.

Concerted political will is paramount to resolve armed conflicts. Peace does not come by itself after endless years of war. It requires enlightened leadership by those who are in a position of power. And such leadership deserves the support of the international community.

In Sudan, the Comprehensive Peace Agreement as of January 2005 offers an historic opportunity to build a democratic Sudan. Despite Garang death, the steady implementation of the Comprehensive Peace Agreement is remarkable. Much work lies ahead and it requires that all parties are fully engaged at the national level in view of a united future for Sudan. The agreement deals with important matters like the sharing of revenues and the future military structures. The government of national unity will also have an important task in ensuring that political pluralism prevails and that the respect for human rights is observed.

The political life of Sudan must remain open for everyone to participate, in a free and non violent manner. Important progress has been such as the lifting of state of emergency in most part of Sudan, many political prisoners have been freed.

In Darfur, while there has been some progress, the security situation is a matter of extreme concern. Over the last months we have seen renewed attacks on camps, also into Tchad. The Government of Sudan bears specific responsibilities: to disarm the Janjaweed and to guarantee the security of the African Union Mission. It must cooperate with the International Criminal Court to address human rights violations.

Restraints must also been shown by the different rebel groups, which appears to now splinter into even further warring groups – a most disturbing trend. Attacks on civilians are totally unacceptable and most be condemned. The cease fire agreement must be upheld.

The Government and the rebel groups must jointly engage in a serious search for peace, as they meet in Abuja. In Eastern Sudan there is a looming conflict, which must be addressed through an inclusive implementation of the CPA.

In Somalia, the prospects were slim when the current peace and reconciliation process was initiated in October 2002 by the Intergovernmental authority for Development, IGAD with the assistance of an international support group, including Sweden. A major problem was the fact that many Somalis had appointed themselves as leaders or acquired a position of strength through gun power. With no real elections have taken place since the 1960's in Somali, the question as to who are legitimate representatives of the different parts of society, has been key one.

Some 50 militia groups were active when the current peace process was initiated, and the controversy surrounding who should rule the country centred between different parts of the country as well as between different groups.

You may say that it is on the local level in Somalia where you may witness a positive development in recent years. With a collapsed state, many traditional leaders and businessmen together with civil organisations have assumed the responsibilities that would normally fall on the state. In certain places, there is a reasonable level of public service at the municipal level, despite the absence of government.

This development explain in part why the actors within the peace and reconciliation process have agreed on a transitional Federal constitution. opening up for regional and local self determination.

Somaliland, which has proclaimed itself independent and is situated in north-western Somalia, illustrate such a positive development. It does as yet not participate in the peace and reconciliation process. Sweden like the EU have been clear in our message, that areas which has attained peace and stability must not be threatened.

In the process of establishing the Parliament, the Intergovernmental Authority on Development, IGAD, suggested that the different clans from the different regions in Somalia should nominate their own candidates.

Early on in the current process, Sweden decided to focus its efforts on supporting activities/meetings aiming at reconciliation between the various groups, and in encouraging a wider spectrum of participation. Sweden has actively supported the process bilaterally and through the EU, and in Nairobi through the international group. We have done so financially but also otherwise in encouraging the Somali actors to move ahead.

To this end, my Government convened a meeting in Stockholm a year ago, which led to the adoption of a Declaration of Principles, providing a basis for international mechanisms to support the reconstruction of Somalia.

The major progress as of today is the formation of the transitional institutions, a Parliament, a Government and a President. Since early this year the process is struggling to find the appropriate working modalities for these transitional institutions and to get them up and running. The fact that parliamentarians and members of government are on two different locations illustrate the current problem. We encourage the Somali actors, and support initiatives to this end, to arrange so that representatives of the different institutions can actually get together and work together.

Again there is a call for constructive leadership and with the international community willing to facilitate dialogue between parties. However, in the meantime the UN Committee mandated to monitor the weapon embargo is reporting that parties within the transitional institutions are engaged in strengthening their respective military capacity. This is disturbing.

When progress can be demonstrated by the transitional institutions along the lines of the Declaration of Principles, Sweden together with Italy is ready to convene a conference in Rome with the aim of mobilising international financial support for the reconstruction of Somalia. The details have not been hammered out as yet, we have yet to see how things develop.

At this moment in time it is imperative that the Somali parties engage with each other in resolving the outstanding issues. Cooperation within the region through IGAD is important, and neighbouring countries must act responsibly. But in the end, it is the Somali people who have to assume the responsibility to bring peace and reconstruction to their country.

The prospects for development in the Horn of Africa are undermined by the continuing dispute between the Ethiopia and Eritrea. The present stalemate in implementing the decision by the Ethiopia and Eritrea Boundary Commission poses a threat to peace, security and development in

the region. The two parties are bound to abide by the ruling of the Boundary Commission. In December 2004 Ethiopia announced its acceptance in principle of the Boundary Commission's decision and its readiness to start demarcation provided that it is accompanied with a dialogue. Eritrea insists on full and immediate demarcation and believes that the call for dialogue is a pretext for challenging the Commission's decision.

The Security Council has made it clear that demarcation should go ahead without preconditions, and this is also the view of Sweden and the EU. It is also clear that if the present cold war is to be transformed into peace, there must be a dialogue between the two neighbours. The present situation is untenable and carries great risks. A return to war would be totally unacceptable.

In conclusion, I would like to say that, yes there is prospects for peace and development in the Horn of Africa. The road ahead may not be smooth and straightforward. The recent general elections in Ethiopia serve to illustrate the point. These elections represented a real step forward in democracy as voters went to the polls, casting their vote, in the belief that they had a real choice. The results have subsequently been contested. However, the opposition parties won a considerable number of seats, and the country has moved into a new situation, volatile certainly, but presenting an opportunity to consolidate democratic principles and political pluralism.

There is a proverb saying that it is not the goal that matters, but the road you embark on to get there. That road should be one of staying engaged, in seeking dialogue, and not seek the exclusion of other. And as we move along, international law and standards, including human rights, should serve as our map.

Finally, while the future of the Horn of Africa is in the hands of its peoples, Sweden and my government share a strong sense of affinity and commitment to this part of the world. The fact that Swedes nowadays are not only originating from Skåne, Norrland or Gotland but also from Somalia, Ethiopia, Eritrea, Sudan and elsewhere, serve to underscore this affinity. It has enriched Swedish culture and hopefully made our own country a little more cosmopolitan.

Thank you

Statement On Eritrea & Ethiopia Conflict
Amare Tekle

Chairperson,

Allow me to seize this opportunity to thank the organizers of this conference for inviting me to share my views on the rule of law and good governance with such an eminent group of scholars and activists. I have limited myself to the discussion of the international aspects of the rule of law and good governance since I was certain that the domestic aspects of the rule of law and good governance will be articulated by the other discussants.

First, definitions

The <u>rule of law</u> may be broadly defined as the strict observance, and application, of existing international law as enacted not only in traditional international law but also in the UN Charter and other international legislations including the numerous conventions and other international instruments which had been adopted by the international community during the previous centuries but more particularly during the sixty (60) years of the existence of the UN. No viable international system could be envisaged, and no meaningful cooperative relationship could be created, without respect for the entirety of these laws by all the members of the international community.

It is also imperative to note that states and other international actors, including the United Nations, are bound by treaties and agreements that they have solemnly signed and have entered into force. The legal maxim *Pacta Sunt Servanda* underlines that treaties and agreements must be respected and implemented in good faith without any conditionality. Respect for treaties and agreements is a basic principle of international law, the essential core value of the UN Charter and the underlying principle of organized international community. Any corruption of this principle would inevitably subvert the international system, undermine the effectiveness of the UN system and suppress the need to take cases to arbitration courts or commissions sanctioned by the UN. No state or international organization has the power to dilute or to change such decisions or to introduce extraneous factors to prevent their full implementation, particularly when the decisions have been declared to be final and binding.

<u>Good Governance</u> or, in this case, international democratic governance, may be defined as the management of the global system by the diverse international actors on the basis of these intricate web of laws and through the numerous international and regional institutions, particularly the UN. Such <u>multi-lateralism</u> has now been recognized by many not as an option

but as a necessity. Yet, a few have opted for multi-lateralism "a la carte" and this has been sowing discord and creating crises in international society in recent years. Inevitably, the UN, which has been considered to be central to the credible operation of multi-lateralism, has been so severely handicapped-if not crippled-that it is not playing the meaningful role it was hoped it would play. Thus, Secretary General Kofi Annan laments that "*where the rule of law is not earnestly invoked, those invoking it do not always practice what they preach....*"and again "*yet today the rule of law is at risk around the world. Again and again, we see fundamental laws shamelessly disregarded.*" Obviously, good governance must be anchored on transparency and accountability even at the international level.

Chairperson,

As always, the maintenance of peace and security remains the primary concern of the international community and the critical component of multi-lateralism under the UN. Peace-genuine and durable peace-that can be the rock-bed of security, stability and friendly relations between states can be anchored only on the rule of law, respect for the Charter, especially the principles of equality, sovereignty, territorial integrity of states as well as the unequivocal and full implementation of treaty agreements in good faith by all signatories-states as well as international and regional organizations. Only this can serve the purposes of peace.

Five (5) years ago, at the dawn of the new millennium, humanity had celebrated, with beaming optimism and confidence, the end of the Cold War and the inauguration of a new world order which promised to foster an international system based on the rule of law, justice and equality and an international ethical conduct which would be strictly observed by, and would be binding on, all nations, strong and weak, rich and poor.

Such optimism was misplaced. The evolving new world order has, in fact, become far more dangerous if only because it is plagued by the emergence of new, serious global problems and new international actors which are challenging humanity in a more complex way than before. Today the world is being ravaged by more armed conflicts and terrorism which recognize no borders, more violations of the rule of law and the hallowed principles and norms of the Charter and other international conventions, further deterioration in the quality of human life and more poverty and social injustice than ever before.

No other continent has suffered as much as Africa from the lack of respect for international rule of law and international good governance. And, of all the regions, the Horn of Africa has the worst record. The stalemate in the Eritrean-Ethiopian peace process is one major example. I shall, therefore, refer in detail to the near-breakdown of this peace process because of the international community's lack of resolve to honour its international obligations.

Chairperson,

It is now five(5) years since the Algiers Agreement, which initiated the Eritrea-Ethiopia peace process, was signed not only by Eritrea and Ethiopia but also by the UN and the OAU as guarantors and the EU and the US as well as Algeria, Nigeria and South Africa as witnesses. The objective of the agreement- it is believed and hoped- was to resolve the conflict by expeditious and unequivocal implementation of the final and binding decisions of an arbitration commission (the EEBC) created by the Agreements. The Agreements also clearly provide for sanctions under Chapter VII of the Charter against the party that refuses to abide by the decisions

of the Commission and to cooperate with it in the implementation of its mandate- i.e. the delimitation and demarcation of the border.

The decision, rejected by Ethiopia, is now more than three (3) years old and three (3) years is a very long time, especially to the victims; and justice delayed is justice denied. Any further deferment of action and the "*freezing*" of the peace process will surely have irreparable consequences not only for the peace process but also for international rule of law and good governance.

It is obvious that the major responsibility for the resolution of the conflict rests with the two (2) parties. However, two (2) caveats are in order: Eritrea has, by its acceptance of, and readiness to implement the EEBC decision, fulfilled its obligations. Ethiopia, by its rejection of, and refusal to implement, the decision bears sole responsibility before international law and the many resolutions of the Security Council.

Ethiopia's unrestrained assault on the rule of law and the sanctity of treaty agreements will have severe consequences not only on the people of the two (2) countries and the Horn of Africa but, by its bad precedent, on other countries and regions as well as the credibility and legitimacy of the UN. Secondly, the guarantors which have, by their duly accredited representatives, including the Secretary General of the UN, signed the Agreements and share the legal responsibility to ensure implementation cannot renounce their inescapable responsibilities without breaking the law. Thus, responsibility for the consequence of non compliance rests with Ethiopia and the guarantors only. Eritreans which have, during the last sixty (60) years, been systematically betrayed by the UN have repeatedly invited the UN to live up to its responsibilities. Eritrea became a member of the UN only a mere twelve (12) years ago. Yet, it has had a long association with the UN for better or for worse- and it was for the worst for most of the last six (6) decades. The UN has played a significantly negative role in the history of the people of Eritrea during this time, particularly in the systematic denial of their right to self-determination. It should do better now.

The Security Council has, in recent years, been faulted for invoking Chapter VII in relation to issues not directly related to peace and security. It is thus all- the more incomprehensible that it is shying away from its responsibilities- responsibilities enacted in a treaty agreement which its representative has signed- in a clear case of a threat to peace and security. What does this augur for the reign of the rule of law that Secretary General Kofi Annan elevated to a moral imperative last year and rightfully continues to champion?

The Security Council can do more than issue periodic resolutions and press statements which are routinely ignored by Ethiopia and its allies. It is now imperative for the Security Council to conclusively ensure the effective implementation of the decision of the EEBC. It is important to Eritrea and other nations of goodwill that the Security Council be respected and trusted especially by small nations to whom the Charter principle of collective security is still sacrosanct. It can continue to secure respect and trust only if it demonstrates a sense of impartiality and fairness. It protects its integrity only when it protects the integrity and legitimacy of international agreements to which the UN is a party- and ensures their "*expeditious*" implementation, thus not doing further injustice to the much abused word. Eritreans are actually asking: "How long is a UN Year?"

Let there be no doubt that Ethiopia's bellicosity and lawlessness is inspired and sustained by the active support and advice of some members of the Security Council and by the passive neutrality of other members of the international community. The guarantors and witnesses of the Algiers Agreement are, in particular, responsible for not acting in the face of such egregious and systematic violations.

Chairperson,

It is clear from the legal determination of the borders that the issue before the UN and the global community is no longer one concerning a border dispute but the illegal and forcible occupation by Ethiopia of sovereign Eritrean territory, including the Village of Badme. This is the proper parameter within which the present stalemate must be viewed; and, any serious undertaking made to solve the problem must be anchored on this most essential fact and must proceed on the basis that no occupation can be condoned.

To that end, the full weight of the provisions of the UN Charter, the treaty agreement and the numerous international instruments, must be applied to terminate occupation and to reinstate legality. The UN which is the guarantor of the Agreements and whose Security Council is mandated to maintain peace and security by, *inter-alia,* condemning and eliminating occupation, is primarily responsible for taking such a principled decision. It behooves the UN and members of the international Community to desist from the introduction of other extraneous and peripheral matters. Unfortunately, the UN and some members of the international community have hitherto been advancing arguments which were totally irrelevant to the issue and are in contravention of international law to decline from taking appropriate action.

It must be clearly understood that the credibility and legitimacy of the UN would be irreparably damaged if the domestic conditions of a state, including the presumed negative consequences of contested elections, were to override the implementation of international obligations that it - and the UN – have solemnly undertaken. There could not be any basis for multi-lateralism if states and other international persons, including the UN, were to disregard international law and treaty agreements that they have properly concluded. The UN and its members cannot violate the recognized rights of one member state in order to succor and assist another member which has occupied its territory to put its house in order by any means–foul or fair.

Chairperson,

Dialogue sounds as good as motherhood. Not many people object to motherhood; but, what if it comes with HIV/AIDS? In our case, dialogue comes with deadly viruses. Then too, dialogue has been provided for within the context of the EEBC mandate. Ethiopia rejects such dialogue. In fact, its Prime Minster and other senior ministers have repeatedly declared that the sole purpose of "Dialogue" was to renegotiate the final and binding decision of the EEBC. That is what I mean by dialogue with deadly viruses.

Eritreans cannot learn any lessons on the merits and benefits of good relations and quick normalization by dialogue following disagreements, misunderstandings and even conflict with countries, near and far, particularly their neighbours. It is a matter of public record that, at the end of their thirty (30) year war of liberation, they had collectively decided to forget the brutalities they has suffered at the hands of, and the destruction of their country by, two (2) successive Ethiopian regimes and to establish good relations, very good relations, with Ethiopia and all their other neighbours. It is a matter of public record that the government of Eritrea had,

only two (2) days after the referendum that paved the way to independence, declared that it may consider the creation of a confederation by mutual consent. It is a matter of public record that Eritrea had also publicly declared its readiness to surrender part of its hard-won sovereignty within a framework of an Association of Horn of Africa States. It is also a matter of public record that the President and the National Assembly of Eritrea had in 1998 repeatedly urged the resolution of the dispute over the border by peaceful means and the avoidance of bloodshed and destruction. Such peaceful overtures were, of course, summarily rejected by the Ethiopian government. Neither the UN nor any other institution or state took exception to its position then.

Eritreans are not against dialogue. Yet they will reject any dialogue: -

Taking place while sovereign Eritrean territory is under enemy occupation and while tens of thousands of their compatriots cannot return back to their homes and farms;

Whose intent and purpose is, for all practical purposes, to drain all meaning of the EEBC decision;

Which would slowly but surely bleed the peace process to death;

Which will enable Ethiopia to realize, through the UN, the territorial and political ambitions it could not make good by war;

That is designed to defraud them, by an unequal treaty, of their right of self-determination including control of their resources, particularly their sea ports;

Which denies them their human rights, including their right to be human and to have enough time to heal wounds?

Chairperson,

The UN was created to succeed the League of Nations because of the latter's failures to ensure respect for the rule of law and the sanctity of treaty agreements, to protect the sovereignty and territorial integrity of its member states, to safeguard the principle of equality of all states, respect for the rights of peoples and to resolve disputes by peaceful and *legal* means. Ironically, the League failed because of Ethiopia's victimization by another member state while the UN may now fail because of Ethiopia's victimization of another member state.

Eritreans are determined to regain their lands and to preserve the territorial integrity of their state; they are determined to defend their land-especially since it has now been determined by a final and binding decision. And no, they shall not surrender land for peace especially since, in addition to the deprivation of their rights, it would also be a monstrous immorality and a violation of the rule of law and the Pacta Sunt Servanda principle. The people of Eritrea and Ethiopia which have hitherto gone through untold hardships and sacrifices deserve the enjoyment of their fundamental, sacred and unalienable national rights to peace, freedom and happiness.

I thank you.

Human Security & Good Governance
Threatened by HIV/AIDS
Johanna Leander

The idea of *human security* is that the security of the individual is brought to the forefront of a discussion that has solely focused on the (military) security of states and territory. Human rights are stressed.

There are far more threats to human security than military intervention. I will focus on the impact of hiv/aids on human security and governance.

In general, the state is responsible for seeing to that the rights of the citizens are respected.

Weak states may find it problematic to deal with the issue of hiv/aids, but the epidemic also threatens to further weaken state structures and opportunities for democratic governance.

- Population feels no sense of unity

- Government considered illegitimate

- Lack of efficient institutional capacity to provide security to citizens (protect them from being infected with hiv)

- Internal threats (i.e. hiv/aids)

Human security

Individual level
threatens health and life expectancy
increase in poverty (self sustainability, increasing risk of infection/dangerous behaviour)
torn families (orphans, education)
increased child mortality
discrimination (political participation more difficult)

Societal level
state functions weakens (social services, health care)
weakening of civil society organisations
societal cohesion threatened (discrimination & stigma)
political leadership undermined (cannot live up to expectations, problem of legitimacy)

economy weakened (loss of skilled personnel, tax)

How democratic processes are undermined by hiv/aids
Examples are drawn from the research of Dr Per Strand, University of Cape Town and the IDASA Governance and Aids Project, GAP. Examples from Southern African region.

Number of by-elections increase (in first-past-the-post systems)
These have lower voter turnout than regular elections
Costly: Larger parties with more resources normally win.

The legitimacy of the election process is threatened
systems for registering deaths among voters are weak and inefficient
Increased risks for electoral fraud (Ghost voters)

Threatens the creation of a democratic culture of tolerance and participation
Should characterize civil society
Stigma and discrimination against people living with hiv/aids ruin this cohesion
Intolerance and alienation

Undermining state bureaucracies
Experience is lost when officials die
Not efficient
Increased risk of corruption (officials may be in need of money for treatment)

Hiv/aids threatens human security at the individual level but also the creation of democratic governance.

Statement on Somalia
Sharif Hassan Sheikh Aden

Mr. Chairman, distinguished guests, Ladies and Gentlemen,

First of all I would like to send message of the condolence on behalf of Somali people to the governments and people of South Asia regarding the earthquake. We deeply feel the crisis as we face similar crisis when our central government organs collapsed in the beginning of 1991.

Secondly, the delegation of Somalia is gratified and honoured to participate in the fourth Horn of Africa conference on Good Governace and Rule of Law in the Horn of Africa. For the people of Somalia, our presence among the distinguished world scholars in Lund, Sweden, symbolizes Somalia's return to the community nations.

The convening of this kind of conference is timely. It gives me and the Transitional Federal Parliament of Somalia a chance to articulate the will of the people our respective parliament represents.

We fully share with you that the core institutional and political function of parliament is:

- Parliament embodies democracy
- Parliemnt is the central institution through which the will of the people is expressed, laws are passed and government is held to accountable.

Our delegation believes a stronger role for parliaments in bridging the democracy gap in international relations will in large part depend on the capacity of national parliaments to perform their functions.

Mr. Chairman, distinguished guests, Ladies and Gentlemen,

We wish to share with you current development in Somalia and highlight some of the challenges our parliament and country face.

On 22nd August 2004, 275 representatives were sworn as members of a Transitional Federal Parliament. The inauguration ceremony effecviely concluded a two-year Somalia National

Reconcialiation Conference. The inauguration of the Parliament was the first step in the reconstitution of the Somali State. The challenge to the parliament was to perform its immediate constitutional responsibility.

- On 15 September 2004, the TFP elected a speaker and two deputy speakers.
- On 10th of October 2004, the TFP elected the Presidemnt
- On 13th January 2005, Parliament confirmed the council of Ministers, the executive organ of the state

In completing these tasks, the Parliament performed its immediate constitutional responsibilities as envisioned in a Transitional Federal Charter.

The Charter adopted as the outcome of the first phase of the National Reconciliation Conference provided a constitutional framework for post-conflict political transition. The principle challenge to Somalia as in other post-coflict states is the completion of the national reconciliation through democratic process.This is more in Somalia than other countries. Unlike other post-conflict states, the basic political institutions in Somalia have totally collapsed, leading to the fragmentation of the country into territorial entities.

In 13 prior efforts, delegates at peace conferences focused on agreeing on a framework for forming a government. All of these efforts failed. They failed not because the participants lacked the will. Some failed because the conference was not broadly represented. Others failed because the solutions that were proposed convinced neigher the Somali people nor the international community.

We have gained from these previous setbacks and applied the lessons learned. Unlike previous attempts, the conference did not focus on forming a government. Instead, the conference and implemention of its outcome were envisioned as a process of national reconciliation. The conference was structured as successive phases. Each of the phases dealt with a distinct aspect of the reconciliation process in order to progressively build the foundation for a durable solution.

The 14th Somali conference adopted a Transitional Federal Charter. The Charter will serve as the framework for the completion of the reconciliation process and political transition. The Charter recognized and formally established provisions, which will guide a democratic determination of the Somali State and a fully participation of the Somali people in the implementation of the transitional process that was possible at the Somali national reconciliation conference, which was organized outside the country.

Mr. Chairman, Ladeis and Gentlemen,

The process of reconciliation in Somalia faces momentous task and diffult challenges. All of the government institutions must be re-established; militias must be disarmed, demobilized and re-integrated into the society. The country's physical infrastructure must be rehabilitated and modernized. Only then will it be possible to put Somalia on the path to recovery and sustainable peace.

The Transitional Federal Charter intended as an interim constitution envisages continuation of the reconciliation process. The Transitional Federal Parliament is the central institution for

sustaining the process of reconciliation and pioneering the spirit of tolerance and inclusion, which essencial to the consolidation of national unity and the country's economic reconstruction.

Mr. Chairman, esteemed colleagues, 13 previous attempts to restore Somalia has failed. This time, we are determined to make Somalia an African model of reconciliation and peace making.Our suceess will in large depend on the capacity and performance of the Somalia's Transitional Federal Parliament.

The Transitional Federal Parliament was conceived as a central pillar of the process of national reconciliation. As the most representative national political institutions, the Parliament has overall responsibilities for ensuring the transition to find democratic institutions in a manner that responds and reflects the will of our people and complies with the provisions of the Transitional Charter and the rule of law.

Vision

Our Parliament shall interpret the charter to strengthen and promote reconciliation, democratic values and good governance. The charter calls the drafting of a national constitution, the establishment of states, regions and districts as the framework for governance.

Mission

Our parliament through its deliberations and legislative actions shall create a climate for peace and reconciliation that enhances legitimacy and support for the transtional national institutions. The Parliament shall re-affirm and elaborate the core principles of the Charter into national legislative actions.

Goal

The parliament shall through its deliberations and dialiogue with civil society representatives at the regional and local levels build consensus on the agenda and strategies for peace and national reconciliation thereby restoring trust and confidence and building the foundation for transparency in governance.

Support for the Transitional Federal Parliament

1. Strengthen the parliament's capacity for reconciliation
Disputes within the council of Ministers and parliament fuel security threats. Reconciliation is the most effective way of eliminating immediate threats to security.
  ❖ Organize a dialogue among members of the Transitional Federal Parliament, Council of Ministers and leaders of the Transitional Federal institutions (TFIs) and consultation with civil society leaders to forge a broad agreement on a framework for governance.

We are a new parliament that lacks the resources, the physical infrastructure and institutional memory. How we develop over the next years of transition will decide the success of our national reconciliation and the future and effectiveness of our democratic institutions.

Our delegation is convinced that partnership between the international community and the UN can facilitate access of Somalia and other countries recovering from conflict to the accumulated

democratic experience and knowledge on building the capacity, effectiveness and accountability of parliaments.

Somalia has learned important lessons from its experience with international peace keeping. We in Somali will also like an opportunity to rewrite the history of our relations with the United Nations. The rewriting of that history has already started. The United Nations and the UN system as a whole have been and are engaged in all aspects of humanitarian assistance to Somalia. The Secretary-General has appointed a Special Representative to Somalia. In his latest report to the Security Council on the situation of Somalia, the Secretary- General has made important and wise proposals that can significantly contribute to peace and reconciliation in Somalia, without which the country can not start the process of reconstruction.

Mr. Chairman and distinguished Guests,

We urge you to support the efforts of the Special Representative of the Secretary-General and the United Nations as they assist us address the challenges of reconciliation, peace building and economic reconstruction.

Finally, Mr. Chairman

I wish to acknowledge the unforgettable support of the Swedish Government and its people, other European member states and interntional community to our national process of reconciliation. I would like to thank in particular the Swedish people and its government for last fourteen years their tireless endeavours towards the Somali people wherever they are and the acceptance they showed to our people when they needed it.

Human rights and Human Rights Defenders
in the Horn of Africa
Martin Hill

Thank you to the organizers for inviting me to speak at this conference on the Horn of Africa, which is the third I have attended and spoken at. This year's conference is different from last year's conference, as it is almost a civil society gathering. It is similar to last year as it is dedicated to promoting peace, reconciliation, human rights, democracy, the rule of law, good governance and sustainable development.

I am here representing Amnesty International, an independent human rights organization founded 44 years ago and campaigning without any political partiality on the whole range of human rights worldwide. My own work as Researcher on the Horn of Africa covers Somalia, Somaliland, Eritrea, Ethiopia and Djibouti, but I will also speak about Sudan.

I very much welcome sharing ideas here with the rich mix of participants from the Horn of Africa, the refugee diasporas of the Horn, and specialists on the Horn. We all have a duty to speak freely and hear and respect the view of others, agreeing or disagreeing without personalising the disagreement. We are all committed to peace, democracy, good governance and promoting and protecting fundamental human rights. The chairs of the different sessions have the corresponding duty to ensure this works, and to make the conference a success and worth building on in the future. The organisers might also consult with participants to find ways to make more of the discussions, so that there is a better outcome than just another annual conference, valuable though that might be.

The conference is a forum for individuals of different countries and views to meet and discuss in a good frame of mind, and to build good communications. Participants come from different countries or political groups, some of which have been caught up in inter-state war – for example between Ethiopia and Eritrea – or internal conflict, as in Somalia, Ethiopia and Eritrea. There are people from different Ethiopian or Eritrean nationalities, different faith groups, different social groups such as the Somali clans and minorities, opposed political groups, or those with different positions on recognition of Somaliland. The conference is about steps towards resolving conflict, towards inclusion, and accommodating differences, and finding the common ground for peaceful realization of universal human rights.

CONFLICT AND HUMAN RIGHTS IN THE HORN

To set the scene for this conference, I will first describe briefly some of the conflicts in the Horn and their impact on human rights. The conflicts are interlocking due to the "chequer-board"

pattern of regional relations whereby neighbouring states have supported each other's armed opposition.

One thinks sadly of the war between Ethiopia and Eritrea in 1998-2000 in which at least 100,000 combatants were killed, with war crimes committed by both sides against combatants and civilians. There are still serious fears of a new war over the border issue, where the international border demarcation process is stalled. Both governments also face internal armed opposition, each supporting to other's opponents, and there have been many outbreaks of inter-communal conflict in Ethiopia. The conflicts in the Oromo and Somali regions have been running for over 10 years without any real peace process in place. Thousands of civilians have been arbitrarily detained and many tortured or killed for supposed support for opposition forces which are backed by Eritrea.

In Sudan, there has been a peace agreement for the south after virtually half a century of civil war, devastation of livelihoods and widespread human rights abuses against civilians. But the conflict in Darfur is still unresolved in this ongoing major humanitarian and human rights crisis, where there have been massive abuses by government forces and the Janjaweed militia. War crimes and crimes against humanity in Darfur have been submitted by the UN Security Council to the International Criminal Court. Abuses have been committed by the Darfur rebels too.

In Somalia, after 14 years of state collapse, which is not yet over, the 14th peace talks finally led to an agreement between the warlords to set up a transitional government and parliament, although these are not yet functioning. The violence continues in Mogadishu and many central and southern regions. The international community, which is very aware of the dangers internationally and regionally of state collapse, is withholding reconstruction aid until there is a recognizable government and real prospects for peace and development. A key question is whether warlords and others who are alleged to have committed war crimes or crimes against humanity, including those who hold high posts in the Transitional Federal Government, should have permanent impunity. In the northwest, Somaliland is seeking international recognition for its 14 years of de facto independence. Somaliland is internally at peace but has a border dispute with Puntland and opposition to its independence from the transitional government in Somalia. It recently held peaceful multi-party parliamentary elections – impossible to imagine in Somalia for some years.

Djibouti ended an eight-year civil war in 1999, in which there were many abuses by government troops. There was a Peace Accord, which was consolidated two years later with the return home of most political exiles.

HUMAN RIGHTS DEFENDERS

Human rights defenders are women and men who work peacefully to support, implement and impartially defend the fundamental human rights proclaimed in the Universal Declaration of Human Rights. They might be activists in human rights NGOs, women's rights organizations, peace activists, trade unionists, religious groups, journalists, lawyers, community based organizations, youth or student or teachers associations, health professionals, victim support groups. They investigate and publicize human rights abuses, make recommendations and seek remedies for abuses, provide early warning of human rights crises, promote awareness of human rights, lobby government officials and political authorities. Human rights defenders have the protection of the UN Declaration on Human Rights Defenders which was adopted by the UN

General Assembly in 1998 on the 50th anniversary of the Universal Declaration of Human Rights. Yet human rights defenders are often at risk of being subjected to human rights violations themselves and they need international support.

Looking at the troubled history of human rights in the Horn, we see serious patterns of human rights violations by government authorities in Ethiopia, Eritrea and Sudan – and less severely in Somaliland and Djibouti. In Somalia, without a government since the extremely repressive Siad Barre regime was overthrown in 1991, abuses by warlords' militias have often been a daily occurrence, leading to massive refugee flows around the world. Arbitrary detentions, torture, unfair political trials and secret incommunicado detention are still widespread in Sudan, Eritrea and Ethiopia.

Women's rights receive poor protection in all the countries of the Horn, whether from governments who give lip service to the issues or from the societies themselves. The harmful traditional practise of female genital mutilation is still extensively prevalent in all countries, although declining in urban areas and as a result of women's groups campaigning against it. Violence against women in the home, in armed conflict and in the community - for example, domestic violence, rape and child marriage – is also an important campaigning issue. Women's; access to justice and participation in public affairs are other issues – it is astonishing, for example, that the women's quota of 12% of seats in the Somalia parliament, although agreed in advance by delegates, has not been implemented due to men's discriminatory social and cultural attitudes. Another form of extreme social discrimination in Somalia - the treatment of minorities – requires much more awareness raising and action to achieve equality of all people under the law.

Economic and social rights – for example the right to health, education and sustainable livelihood - are also far from being achieved in any country of the Horn. The governments still have far to go in developing plans that are transparent and accountable for working towards realization of these universal rights. Substantial and meaningful international assistance is also a duty.

According to international standards, all countries should be open to human rights scrutiny by their own citizens and by the international community. International human rights NGOs should be free to enter the country, have dialogue with the authorities, meet civil society groups and human rights NGOs – without hindrance, surveillance or risk to themselves or those they meet. This unfortunately is not always the case in the Horn, where such access is problematic. Amnesty International is barred from visiting Eritrea and Amnesty International's researcher (myself) has been barred from visiting Ethiopia for the last 10 years.

Eritrea

Looking at the human rights situation In Eritrea, human rights violations are connected to the failure of the government to implement a constitutional process towards multi-party democracy and the rule of law. Thousands of peaceful critics of the president and government – many of them former liberation movement leaders and veteran fighters, evangelical Christians, Muslims suspected of links with Islamic armed opposition groups, are held indefinitely in harsh conditions in secret military prisons. Many of them have been tortured, including youths fleeing indefinite military conscription and asylum seekers forcibly returned from Malta and Libya. There is no political space for independent NGOs or human rights defenders to function inside Eritrea.

Ethiopia

In Ethiopia, human rights violations have been linked to the conflicts described above, as well as to violations of the right to freedom of expression and association and freedom of the media. Multi-party elections were held on 15 May 2005, with the opposition gaining one-third of seats in the new parliament but disputing the results. The main opposition party, the Coalition for Unity and Democracy (CUD), is currently boycotting the new parliament. Human rights abuses by government forces and the ruling party were evident in the months leading up to the elections and also during the elections. International; election observers were extremely critical, but their criticisms were dismissed out of hand by the government. On 8 June a special army unit shot dead at least 36 people protesting against alleged election fraud, and police detained thousands of opposition supporters for several weeks. Hundreds of opposition party supporters were later detained ahead of peaceful demonstrations planned for 2 October 2005 which were eventually postponed, and the government falsely accused the opposition of violent conspiracy.

Some human rights defenders manage to operate in Ethiopia but under many constraints. The principal human rights organization is the Ethiopian Human Rights Council (EHRCO). It is now officially registered, after several years of being rejected and accused of being an anti-government political organization. The government refuses to have any dialogue with it and refused to consult in on the formation of a National Human Rights Commission, whose head, a retired ambassador to Russia, has no human rights experience. This commission has not yet become operational and its work-plan contains no reference to human rights monitoring or any intention to work with local human rights defenders or respect the UN Declaration on Human Rights Defenders.

EHRCO has published over 100 reports since 1991. It issued reports, for example, on human rights violations in the May 2005 elections, when three of its human rights investigators and three local office board members were arbitrarily detained for up to a month. Its former chair, retired geography professor Mesfin Woldemariam – who was unable to attend this conference due to ill-health - is awaiting trial, together with Dr Berhanu Negga, the current opposition MP and Mayor of Addis Ababa, on false charges of inciting students to violence in 2001. They have been free on bail after some weeks' detention in 2001, with the trial constantly adjourned. EHRCO's staff, board members (including the legal advisor) and some voluntary supporters have been harassed, intimidated and smeared with false accusations.

Shortly before the recent elections, a court finally permitted the Human Rights League, an Oromo NGO, to be registered. Several of its founding members and leaders had previously been detained for four years as prisoners of conscience. They were charged with violent opposition in a long-running trial in which they were eventually acquitted in 2001. It remains to be seen whether they will be allowed to freely undertake human rights defence work now. Criticism of the government by Oromos has always led to harsh reprisals, detentions and accusations of supporting the armed opposition Oromo Liberation Front (OLF). The humanitarian work of the Mecha Tulema Association, an Oromo community association founded in the 1960s, in providing financial support to Oromo students dismissed from the university in 2004, led to its leaders being arrested and accused of conspiracy to armed opposition. They are currently in prison.

The Ethiopian Women Lawyers Association (EWLA) works on less politically sensitive issues but not without problems with the authorities. It does valuable work in the area of women's rights, especially in providing legal assistance to vulnerable and poor women seeking to assert their rights.

Private newspapers are allowed in Ethiopia and they are often critical of the government. But in recent years well over 100 journalists have been detained and imprisoned after trial, often on account of reporting human rights abuses and criticising the government. None are currently in prison but some were arrested in connection with the elections and a draft new Press Law threatens to be even more restrictive.

Somalia and Somaliland

Both Somalia and Somaliland have active and vigorous networks of human rights defenders. The Transitional Charter of Somalia recognizes the rights of human rights defenders. Human rights defenders in Somalia have achieved public support and recognition of human rights values but have been under constant threat of violence from the warlords' militias to the extent that they have not dared to name the perpetrators of arbitrary killings, kidnapping or rape, for fear of reprisal. A prominent peace activist, Abdulqadir Yahya Ali, director of the Centre for Research and Dialogue (CRD), was assassinated in Mogadishu on 11 July 2005 by unidentified assailants. In Somaliland, human rights defenders have been much safer but even so, some were briefly arrested and threatened on account of their research and protests at the trial in December 2004 of Zamzam Ahmed Duale, a 16-year-old girl falsely charged with espionage and later convicted but pardoned. In May 2005 minority rights activists and supporters were briefly detained at a demonstration in Hargeisa.

Numerous private-press journalists in Somalia (including Puntland) and also in Somaliland have been threatened or detained, sometimes on account of defending human rights. They have nevertheless established mechanisms to report media rights violations without delay. At a conference in August 2005 in Mogadishu on Freedom and Rights of Journalists, the 182 participants set up a National Union of Somali Journalists (NUSOJ).

Sudan

In Sudan, the southern peace process has brought former rebel leaders and exile politicians into the government and political mainstream, with a high degree of regional autonomy for the south, to be reconsidered in a referendum in six years' time. Yet human rights defenders, including members of development and women's NGOs, lawyers and journalists, have experienced arbitrary detention, short-term arrests, lengthy interrogations and harassment by the security services. Criticism or reporting on human rights violations, especially in the humanitarian and human rights crisis in Darfur, is vigorously suppressed.

The director of the West Darfur office of the Sudan Social Development Organization (SUDO) was detained without charge or trial for seven months in 2004-5, and Sudan's best known human rights defender, Dr Mudawi Ibrahim Adam, chair of SUDO and a prisoner of conscience for several months in 2004-2005, was briefly detained on 8 May 2005. This was to prevent him from travelling to Ireland to receive an international human rights defenders award – which his wife accepted his behalf. Three women lawyers were held for several days' questioning in July 2005 after participating in a gender rights workshop in Port Sudan. Officials of the leading human

rights organization, the Sudan Organization against Torture (SOAT), have recently been charged with disclosure of military information, propagation of false news, breach of public peace and public nuisance.

Human rights abuses have also been committed by armed opposition groups in Darfur. Three SUDO staff members were kidnapped in North Darfur by rebel fighters on 29 September 2005 but released a few days later. African Union (AU) peacekeeping soldiers were also kidnapped for some days, and humanitarian workers are also at risk.

APPEAL

This is some of the human rights background to the discussions of this conference. I ask all of you to have it in mind, and also consider what you can do about it – as Diaspora organizations, as academics, as development organisations. I ask you all to become human rights defenders.

PART II
Good Governance, The Rule of Law and The Reconstruction of States in the Horn of Africa

Good Governance and the Rule of Law:
What can they offer to the Horn?
Christopher Clapham

My object in this presentation is to confront, directly and critically, the theme of this conference, 'Good Governance and the Rule of Law: key to peace, democratisation and development', and to ask whether these admirable precepts actually have much to offer to the Horn of Africa. And if so, how can they be made to provide it?

'Good governance', the rule of law and democratisation are of course, along with economic liberalisation, the key pillars of the essentially Western project for the rehabilitation of Africa that has developed since the 1980s, and especially since the end of the Cold War. This agenda has been sustained by an alliance of international financial institutions, international organisation, non-governmental organisations, and Western governments. It has also been taken on board to a varying degree by African governments themselves, as for example in the New Partnership for Africa's Development (NEPAD). And it has likewise been supported, again to a varying extent, by African populations, who have clearly demonstrated their support for multi-party democracy over any alternative form of government. At least in some parts of Africa, as well as elsewhere in the world, it has achieved a significant level of success. Fair and open multi-party elections, followed by peaceful changes of government in cases where the elections have been won by the opposition party, are no longer the exceptional occurrence that they were in the three decades after most African states gained their independence from colonial rule in the early 1960s. A number of African states, albeit still a minority, show ever sign of having developed stable and democratic systems of government, which allow for the regular alternance in power of rival political parties.

These ideas of good governance, rule of law and democracy are drawn explicitly from the model of the Western liberal state, like Sweden, which is not only accepted as legitimate in itself, but in which there have been established ideas of governance – 'governmentalities', in a word – which combine the acceptance of the authority of the incumbent government on the one hand, with the accountability of that government to the people whom it governs on the other. These are not, certainly, exclusively Western ideas: all societies have ideas of governance, and indeed some conception of legitimacy and accountability, though these vary widely between different societies around the world. By no means all societies, however, have conceptions of <u>limited</u>

government, implied by the rule of law, and some – including many pre-colonial societies in Africa – do not have any conception of statehood at all.

The first thing to be said about the extension of this agenda to the Horn, largely by the Western states and associated agencies that have assumed a dominant role in the global system since the end of the Cold War, is that it represents a considerable improvement on previous external agendas in the region. Until about 1990, these largely turned on the supply of massive quantities of arms to selected regional governments, with catastrophic results in terms of dictatorship, human misery, and eventually state breakdown. This does not, however, absolve us from the need to critically examine the new agenda, and its application in what are, by any standard, extremely unpromising circumstances.

All of the major states of the Horn – Ethiopia, Somalia, Sudan – have faced powerful secessionist movements – in Eritrea, Somaliland and Southern Sudan – that have achieved a very high level of success, demonstrating in the process that even the basic territorial structure and identity of the state itself is still very much at issue in the region. None of the existing states, apart from the unrecognised one, Somaliland, have governments with any plausible claim to have come to power by democratic means. The present governments of Ethiopia and Eritrea are the victors of prolonged insurgent wars that ended in 1991, while that of Sudan results from a military coup d'état. One regional state, Somalia, has had no effective government for the last fifteen years. These origins are important, because we have come to recognise that it is very difficult indeed to build accountable and democratic governments from movements that have emerged victorious from years of vicious warfare, from military regimes, or from the wreckage of collapsed states. It is therefore no surprise that every state in the region has had very significant levels of human rights abuse.

So the very first question that we need to ask is, Where do we start, if we are trying to build a framework of stable and accountable government in this extremely unpromising part of Africa? The answer, I think, lies in the recognition that 'governance' is not just a matter of applying standard rules to the behaviour of all states, no matter how admirable these rules may be. Nor is it even a matter just of regulating the behaviour of governing elites, even though these often have much to answer for – not least in the Horn of Africa. It is, rather, deeply embedded in the cultures of individual societies, and must be built up from the base that those societies provide, not merely negotiated or imposed from the top. Once we recognise that, we must also recognise that the cultures and societies of the Horn embody an enormous range of internal differences, with the result that ideas of governance that apply to one society may be completely alien to others, and we must expect a corresponding range of variance in the solutions that need to be adopted. The key difference, of course, and the one that has always underlain the violent politics of the Horn, is that between the highland agricultural parts of the region, covering much of Ethiopia and Eritrea, with their all too firmly entrenched legacies of autocratic statehood, and the pastoralist zones, which have little if any tradition of statehood at all. In the rest of this presentation, I will concentrate on the highland and Somali states, leaving aside Sudan, which itself has very different conceptions of governance, most obviously between, but also within, each of its two major ethnic, religious and geographical zones.

The most interesting range of comparative variation lies between the four Somali governments of the region: (ex-Italian) Somalia, (formerly British) Somaliland, Djibouti, and the Somali region of Ethiopia. Each of these draws in some respects on a common culture, which has however been manipulated and exploited in very different ways in the four cases. In very broad terms,

these can be characterised as the precarious but broadly stable domestic bargaining system of Somaliland; the fairly stable family-based clientelist system of Djibouti; the unstable Ethiopian-dominated clientelist system of the Somali regional state of Ethiopia; and the thoroughly unstable factionalism of Somalia. In my view, there is not much doubt that the most successful of these has been Somaliland, and that this success has been driven by the <u>absence</u> of direct external engagement, which has forced Somalilanders to develop a domestic political compact with their own people, in order to present at least a front of stability and consensus to the outside world. The real question, it seems to me, is whether if Somaliland was recognised as a sovereign state, which it certainty has every right to be, this would undermine its domestic political settlement, and lead to the kind of struggle for state resources between different factions, and the fragmentation of the state into its different components, that has bedevilled externally-orchestrated attempts to re-establish effective structures of governance in the rest of Somalia.

The lesson that the outside world serves Somalis best by leaving them alone is indeed one that could be usefully applied to (southern) Somalia, where attempts to re-establish a collapsed state through various forms of external mediation have failed for fourteen years, and – despite the recent and partial establishment of the Transitional National Government – seem to me destined to fail almost indefinitely. The Arteh process that initiated the current attempts at a settlement, and the subsequent negotiations in Kenya, provide a classic example of the way in which external mediation (supported by foreign funds, and holding out as the prize an influx of foreign aid, together with the other benefits of international recognition) leads to an inherently unstable process of elite-centred bargaining. If Somalia is ever to be reconstituted, this can in my view only occur, as happened in Somaliland, through a drawn-out bargaining process conducted within the country, and without some large pot of gold waiting to reward the winner.

Indeed, one can see elements of such a process already in place, through the development on an informal basis of social institutions through which to conduct essential interactions. These range from education, through the system of informal Islamic banking and remittances, to the working of the mobile telephone system, on which all Somalis appear to rely. Much of this inevitably, and rightly, operates through the moral framework provided by Islam, which despite some unquestionable al-Qaeda footholds in the region, seems to me unlikely to promote 'fundamentalist' terrorism on any extensive scale, for which Somali society is both too fractious on the one hand, and too tolerant on the other, to provide much of a base. Neither the Djibouti model, in which family control is backed by external cash and military support (initially from the French, now more from the Americans within the context of the 'global war on terror'), nor the Somali Regional model within Ethiopia, with its never-ending manipulation of local factions by the Ethiopian patron, seems to me to have much to offer, though the Djibouti version is clearly the preferable of the two.

So to summarise, what 'good governance' and 'rule of law' mean in the Somali territories is the re-establishment and renegotiation of the kinds of mechanism that Somalis have always used to regulate inevitable conflict within a resource-poor environment. This should involve a minimum of external engagement, which – however well-meaning – easily serves as a magnet for instrumentalist conflict. One example of such unintended consequences of well-meaning external involvement is the provision within the Somali Regional State of Ethiopia of a 'conflict resolution budget line', funded by external aid, which has induced local politicians to <u>create</u> conflicts, so that they can then gain access to the funds that are provided by the donors to resolve them.

When we move to the 'highland' states of Eritrea and Ethiopia, 'good governance' means very different things, and calls for very different answers, from what these terms imply in the Somali territories. Both Ethiopia and Eritrea are societies with entrenched conceptions of statehood, which have been strongly reinforced by the legacy of long and disciplined insurgent warfare, on the part of both the EPLF and the TPLF, which continue to monopolise political power in the two states. The governance agenda here is therefore not about <u>creating</u> political power and authority (as it is in the Somali cases), but rather about <u>controlling</u> it, within both a set of established attitudes to governance and equally a set of enormously influential recent historical experiences that make this a very challenging task indeed.

When the present generation of 'new African' leaders and movements came to power in eastern Africa in the late 1980s and early 1990s, in Uganda, Ethiopia, Eritrea and finally Rwanda, it was widely expected that these would launch a new era of African governance, marked by discipline, honesty, commitment. Since these qualities derived from the experience of these movements themselves, their impact could be expected to be massively more effective than the attempt to impose similar virtues from the outside, through various forms of governance conditionality required by aid donors. To some extent, this expectation was indeed realised, and the achievements of these governments should certainly be recognised, as becomes very clear when they are compared with their appalling predecessors. Whatever justified criticisms may be made against the NRM in Uganda, the EPRDF in Ethiopia, and the RPF in Rwanda, these regimes do not even begin to match the brutality of the Obote and Okello government, the Derg, or the genocidal MRNDD. What these 'new African' leaders did <u>not</u> provide, however, was the level of accountability implicit in a 'rule of law', which would have run directly counter to their own conception of their right to rule. Instead, they adopted the basic precept that their own 'liberation' of the territories that they governed entitled them to remain in power indefinitely.

Nowhere is this clearer than in Eritrea, where the enormous sacrifices of the independence war have culminated in the creation of a militarised and autocratic state, which provides – along with Mugabe's Zimbabwe – the extreme case of bad governance in Africa. Any dissent in Eritrea is currently punished by indefinite imprisonment without trial, and the Eritrean government's loud calls for respect for the international rule of law over the arbitration of its frontier dispute with Ethiopia ring very hollow indeed, when set against its brutal contempt for any rule of law at all in its dealings with its own people. There does not appear to me to be any prospect whatever of good governance and the rule of law finding any place in the governance of this unfortunate country, so long as the present regime of Isaias Afewerki remains in power. The key question, rather, is whether, when that regime is eventually removed – an outcome which currently seems far off, but which may nonetheless occur in some sudden and unexpected way – Eritreans will have learnt enough, both from the sufferings of the liberation war, and from their sufferings under the dictatorship of their own leaders, to be able to put together a political structure, and an underlying set of social values, that recognise both the importance of national unity and solidarity, and that of limited governance. This is a tough proposition, but not an impossible one.

Finally, the most important, and also the most delicately balanced, case among all those with which I am concerned here is Ethiopia, which unlike any of the other states of the region, combines a deeply entrenched tradition of statehood, and also I believe of national identity, with a high level of diversity, which cannot be managed within an autocratic structure. The great achievement of the present EPRDF regime was to recognise that diversity, even though it has failed to create any stable balance between the contesting elements of unity and diversity of which Ethiopia is inescapably composed. Instead, it has pursued a contradictory and ultimately

self-defeating strategy. On the one hand, by promulgating the doctrine of ethnic federalism, it promoted a sense of ethnic identity which is now inescapably entrenched in Ethiopian political life, and must form part of any stable political settlement. On the other, it has sought to recreate a unified state, by maintaining rigid central control over the nominally autonomous regions of the federation, and especially by refusing to permit the development of any effective political structure through which the interests of its different elements can be represented. The current system of government in Ethiopia is as a result highly precarious, and must inevitably collapse, but the underlying elements of localism and centralism will nonetheless remain, and must in some way be brought into equilibrium.

The recent Ethiopian elections of May 2005 have revealed both the fragility of the current political order, and also the outlines of a potential settlement, difficult to achieve though this will certainly be. There is no doubt that these elections were crudely and hurriedly rigged, once the EPRDF regime, which had complacently assumed that it was bound to win them, discovered that it could well be on the point of losing. These elections have proved to be a critical turning point in Ethiopian history. They mark the first time that Ethiopians have had any real opportunity to choose their own government, and all impartial accounts indicate that voters seized this opportunity with great calm, determination and responsibility. In doing so, they voted to a very significant extent in favour of the opposition, and especially the Coalition for Unity and Democracy (CUD), which showed that it had public support well beyond the Amhara constituency with which its opponents had sought to associate it. However, the regionally-based Union of Ethiopian Democratic Forces (UEDF) likewise showed that it had substantial support, especially in parts of Oromia and the Southern Region. It is difficult to discern how much genuine support the ruling Ethiopian Peoples Revolutionary Democratic Front (EPRDF) would have been able to muster, had the massive advantages of incumbency been removed, but it is eminently plausible to suppose that this would largely be restricted to its home region of Tigray. Even there, the currently ruling section of the TPLF would – in a fair election – face the prospect of severe competition from the faction that was expelled following the bitter intra-party split in mid-2001.

The immediate problem of 'governance and the rule of law' in Ethiopia lies with the present government itself, and is all too clearly demonstrated by its instinctive determination to impose an autocratic regime which I think it extremely unlikely that it will be able to sustain. It has passed that critical point at which it has lost its essential authority as 'the government', which is necessary for it to benefit from the habits of obedience to constituted authority that are the key to political stability in Ethiopia. The attempts that it is currently making to reimpose its rule by force, through the violent suppression of demonstrations and imprisonment of opposition leaders, are fraught with danger, and are likely to lead to ungovernability in the towns, and – unless the situation is resolved – to the eventual recurrence of armed opposition in the countryside. The deeper problem, however, lies in cultures of governance that are as deeply entrenched in Ethiopia as they are in Somalia, but which are of a very different kind. These make it extremely difficult to separate the recognition of the government's authority from subservience to its leaders, or to engage in serious compromise or negotiation. The outlines of a settlement must however be sought – as in Eritrea – in a learning process that derives from the bitter experience of past failure. In the Ethiopian case, this would need to draw both on the impossibility of imposed central rule, which was clearly demonstrated by the collapse of the Mengistu regime, and also on the limitations of regionalism in a country which – beyond all its diversity – has a profound sense of its own identity. The best chance of achieving such a settlement lies in turn in an understanding between leaders both of the CUD and of the UEDF, who come from a very similar

background and have a shared experience of repression. The UEDF, which draws its support from peoples who have historically been largely excluded from participation in the Ethiopian state, has an especially important role in developing traditions of compromise and consensus that have been notably absent in the central government tradition.

To return, therefore, to the title of this conference, there has been in Ethiopia no conception of the 'rule of law' as anything that can be separated from the power of the state, and that could in turn be used to control the state. Law, in the long Ethiopian experience of government, has always been something that derived from the ruler, and that stood or fell with him. Characteristically, each Ethiopian regime – the imperial government, the Derg, and now the EPRDF – devised and promulgated its own national Constitution, which (at least in the case of the first two) collapsed at the moment when the regime itself collapsed. Achieving a rule of law that stands above the government of the day, and that can be used to restrict its arbitrary power, is nonetheless now essential to the establishment of a stable balance between Ethiopia's unity and its diversity, and deserves the strongest international support. We should not however delude ourselves into supposing that this will be anything but an extremely difficult task to achieve.

Brother Chairman,

Thank you for your kind words and I am also grateful to this seminar for inviting me to address it.

We feel freer to speak about our problems when abroad. Someone wanted to have dental care abroad and when he was asked why, he said, "Because I can't open my mouth at home". Someone else wanted to become a specialist on ears and eyes. When they asked him why, he said, "Because what I see doesn't tell me what I hear."

The world today is moving towards a state of affairs where there is a dialectic between the external and internal. Even in America, the most powerful country in the world, you cannot simply talk about internal matters. The issues have become intertwined and therefore are part of the dialectic. This is especially so because of the introduction of intervention.

Today, the world is more integrated through technology and communication and transportation. There is also disintegration because of people's consciousness of differences in culture and standards of living. This dramatic contrast between integration and disintegration is leading to great tension. In fact this tension creates the possibility of a new cold war arising between the North and the South. Unless this cold war is contended, we are going to face a new Dark Age in which the under-developed world uses the weapon of mass protests against the weapons of mass destruction, which are the technological achievement of the richest countries.

I think we have to put our heads together and make a proper diagnosis of these possibilities and these problems in order to find solutions to avoid this inevitable cold war that may lead to a new dark age for humanity.

I am going to make 7 points:

The Nation State. The Nation State system or organization is the best type of livelihood, providing more security than the clan and being much better than empires.

The Nation State cannot be taken for granted. Like systems based on religious or tribal affiliation it has to be built. We have the experience of Western civilization where they have had to endure

a long and bloody struggle before ultimately reaching the current organization of their nation state system.

The stability of the Nation State and its viability rests on four conditions. 1) Security 2) Provision of livelihood. 3) Leadership acceptable to the population and 4) Workable foreign international relationships. In our time these qualifications are enhanced because of the need for good governors. It is no longer possible to sustain a viable state without the conditions needed for good governance and these are a) participation, b) accountability, c) transparency, d) the rule of law, e) viable economic performance, and f) viable justice. The state has to provide a degree of social justice to be able to stabilize itself.

Many states have failed in the above-mentioned terms. The world cannot stand by and observe this phenomenon because failing states will lead to warring factions or inevitably become host to terrorist activities. So it is now part and parcel of international security to seek the construction of a viable state. Historically there are three ways of moving from a failed or collapsed state to a viable state.

(1) Successful nation builders in the tradition of Bismarck.
(2) External intervention. This occurs when a neighbouring or international actor moves to uphold or set up a new regime. Ex. Syria with Lebanon and Vietnam with Cambodia. Professor Ali Mazrui suggested that "there should be in the coming phase external actors in many African regions to set up or reconstruct a failed state.
(3) National consensus. South Africa from the Codesa conference represents this example of the reconstruction of a state on the basis of national consensus. This scenario is the only one that is possible now because the present chapters of the international communities will not allow the other two possibilities to function. So, the only one that is viable in terms of the current international order is the one that is based on national consensus. However, this is very difficult because it means you have to pull yourself up by your own bootstraps, which is difficult. The steps needed to climb out of failure are:

Holding a cease-fire.
Removal of the effects of conflict.
Establishment of social infrastructure.
Establishment of material infrastructure.
Mechanism of transition of justice.
Removal of causes of conflict.
The establishment of varied national state institutions both civil and military.
The achievement of a political agenda, that will empower civil society organization, political parties, trade unions, and non-governmental organizations, which are the building blocks of social political participation.
A diplomatic agenda that relates successfully to the external world.
An economic agenda that is both capable of providing a varied economy and a just distribution system within the economy and a cultural agenda that enables the different cultural identities to co-exist peacefully in various ways. Because it is no longer possible to find any kind of cohesion that erases cultural differences. Cultural differences have got to be respected by the community as a part of human rights.

These points are part of the political mind, which is built up by understanding in our own countries and in the international community.

The problem of the failed state is no longer and cannot be regarded as a national problem only concerning its own people. It is a regional and international problem.

Sudan can be regarded as an example of all these problems. In the Middle Ages, we had five states in the Sudan territory: Darfur, Sinnar, Mosabanat, Tegary and Onsh. The modern Sudanese state is a legacy of three contributors:
Turko–Egyptian Sudanese state.
Mahdi state.
Condominium dominated by the United Kingdom.

Modern Sudan is a legacy from the British period. Modern Sudan failed to establish a viable state based on the criteria I described.

Although we inherited a modern democratic state in Sudan, we also inherited a divided state along with it, because in the longest period of the Sudan colonized by the British, what is called the Southern policy was espoused. It created and enhanced the differences in Sudan and gave parts of the country, particularly the South, an Anglo-Christian identity. This aspect has been one of the problems that have created polarity in the Sudanese identity.

There are four factors that have worked towards the failure of Sudan:
The legacy of division.
The failed attempt to establish a normal democracy. No effort was made to make the democratic experience transplanted in the Sudan succeed, no kind of cultural or social acclamation. The issue was to establish a normative democracy. A normative democracy has not worked for various reasons, described earlier.
The ideology of right and left, both of whom tried to jump over social realities and create conditions which have backfired.
Totalitarian attempts to enforce an image of political and social engineering, which had nothing to do with the realities.

We have in Sudan experienced half a century of trouble. Every political concept in the book of politics has been used. To name a few: liberal democracy, left-wing, Islamic, radicalism, conservatism. All of them have been used at some point in Sudan.

All of this can lead to political development and maturity. The Sudan can be looked upon as a wounded body. We have attracted all the wounding instruments in the political sphere. If we manage to pull ourselves out of this quagmire we will be the classic wounded circle. Many of the lessons learnt have not been regarded in the latest agreement, which is called the CPA. It should represent many of the lessons learnt in this experience, which are often needed for peace: the need to accept plurality; the need to accept political plurality; the need to recognize regional, cultural and religious plurality; the need to address these issues of delayed development. Most of the lessons that have been learnt in the 50 years of our troubled journey have been adopted and have become part of the impartial comprehensive peace agreement (CPA). The CPA is a necessary but insufficient agreement, because the negotiations themselves were based on certain assumptions:

That the Sudan's problems are exclusively North-South.

This is false because they are not only North-South but South-South and even North-North as well. So there are problems that the agreement cannot address and therefore it cannot be called comprehensive. This mistake was taken further because the constitution reflected the very ideas in the partial peace agreement and then the so-called government of national unity reflected the same, so we have three rings of the CPA, which as I mentioned earlier cannot be called comprehensive. We have a constitution which is not a constitution and a government of national unity which is not united.

We recognize and are grateful for the help of the external mediators in this process, but unfortunately much of this external input, particularly on the part of the USA, was mostly interested in a photo-friendship position and success without discussing or appreciating these variables. The USA played an important roll as midwife to Sudan's peace agreement, but was driven by a need for quick results for use in America politics, which would benefit from a success story. All this means that there has been an important external input but it did not do the necessary homework to make it right. In the Sudan there is now a current situation where all our problems are openly discussed; this is the most important achievement of the salvation regime, which had first taken Sudan's problems to their most extreme form. They have recognized the failure of their ideology in respect to the CPA and the problem it faces in the North and South, which makes it necessary but not sufficient. We now have a very thriving debate. It is the nearest to what Condoleezza Rice describes as "constructive chaos". There is no doubt that these problems, differences and conflicts represent chaos, but what is constructive about it is the empowerment of civil organizations, political parties, trade unions and student unions, which are now taking an active part. With the help of the UN and all other kinds of external involvement and armed with goodwill and the UN Charter of Human Rights, we can construct:

A genuine comprehensive peace agreement.
A genuine program called Democratic agreement and improve on it so we can cease to be a failed state.

There are three possible scenarios
The two negotiators missed opportunities of making a Codesa (Convention for a Democratic South Africa) type of agreement and stopped at a deal between the Glac and Mandela. They stopped at a bilateral deal, which if there is a logical conclusion will simply establish diarchies, which will create a polarization between a diarchy and the national agenda. It is the worst scenario, which may lead to:
Our missing the opportunity of constructing a Sudanese variable state.
Polarizations, which will bring out all kinds of contradictions in Sudan and invite all our neighbours to come and settle their accounts within the Sudan.
So we hope that through Sudanese consciousness and activities and external goodwill we will avoid this scenario.

The second and in my opinion the best, is to accept that the agreement is necessary but not sufficient and that we need to establish a Codesa-type scenario and develop the peace agreement from a bilateral to a national peace agreement. This is possible but may not be accepted by the beneficiaries of the CPA, who may now be revelling in what they believe are partisan games and therefore resist this possibility. Unfortunately many players in the international communities misuse their position because they want quick results and any attempt to further the discussion in this matter may create unsolvable problems.

The third is practical and accepted, that is for the country to accept the building blocks of the peace, including certain measures to ensure an agreement of participation not only on paper, but also a participation in wealth.

2. And so the building blocks: the recognition of cultural and religious plurality, the recognition of human rights. The basic building blocks will be accepted, but the aspects relating to the diarchy and the empowerment of the two parties will be open for opposition and there will be a guarantee of human rights, basic freedoms, the national character of state institutions and free general relations. This is a possibility. We are working towards this; there is now a growing streamline between the two parties and their allies that are responsible for the Naifasha CPA, which consolidated their position as such.

Looking forward to three years hence, a general election will decide the issues of contention between the different political factions. This is the best kind of practical suggestion, second to the consensus based on a Codesa-type conference.

This is a challenge to the national force of the country. Sudan already enjoys a strong civil society. Sudan has a history of self-confidence because the factors that led to the bases of cohesion in Sudan, Islam and arabification, have come from bottom-up versus from top-to-bottom as in the other countries. This has empowered civil society; the proof of this is that twice Sudanese civil society has overthrown a military dictatorship, in 1964 and 1985. Now civil society is approaching the current establishment with its own initiatives, so the national force has a role in formulating the policies that could lead to this development and transformation into comprehensive peace and democratisation. This work cannot be done alone. It needs external goodwill that appreciates the problems and can contribute, because no problem can be looked at as simply exclusive, internal or external, there is a dialectic that works towards the final point.

3. If Sudan succeeds in pulling itself out of this quagmire, it will constitute a model. The international input that is now welcome and could play a role in the development of the Sudan could also be an example, so that the Sudanese experience could function very well as a role model for similar situations with failed states. This is the best way to avoid a possible confrontation between different international forces now and the possibility of another Dark Age. It could usher us into a progressive, enlightened state of affairs that could bode very well for our countries, for our communities and for the world at large.

REBUILDING FAILED STATES: THE ROLE OF THE INTERNATIONAL COMMUNITY[5]
Maxi Schoeman

Introduction

The term 'failed state' is applied to countries defined by patterns of political, economic, religious and ethnic collapse, often brought about through internal conflict in which neighbouring countries (or other states) may also become embroiled. In short, a failed state is characterised by an inability to sustain itself as a member of the international community, thereby depending on external involvement and charitable assistance. Despite the negative and fatalistic ideas and assumptions surrounding such states, countries like East Timor and Sierra Leone are slowly being rebuilt, and Mozambique today is functioning reasonably well as a state, proving that it is possible to recover from state failure (though the process is fraught with difficulties and problems). The re-building of these states are taking place with extensive support and involvement from the international community, thereby prompting the assumption that such involvement is necessary, though not sufficient, for success.

This paper explores a number of ways in which the international community may provide assistance to failed states, though I need to make it clear that such assistance can never substitute for internal efforts at reconstruction, and can probably only be successful to the extent that the necessary political will exists on the part of internal groups and forces. In saying this, I want to read two quotes regarding international involvement in peacebuilding efforts (both taken from SAIIA eAfrica 2005). The first is a comment by the minister of state of Zanzibar:

In as much as we appreciate the assistance from donors, we have seen that there is a need to free ourselves from their interference in Zanzibar.

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[5] Due to time constraints this paper does not claim to cover the subject matter in a comprehensive way. Furthermore, due to the huge problems involved in attempts at rebuilding failed states, I end up by asking more questions than providing answers.

The second is by Pasteur Habimana of Burundi's Hutu Forces for National Liberation:

We ignore the current government led by Pierre Nkurunziza because this government was imposed by the international community and it was not elected by Burundian people.

These comments, whether true or not, point to a first and perhaps the most important guideline for foreign assistance to countries attempting to rebuild their tattered societies: if the locals experience international assistance as interference and as illegitimate, even the best laid plans will come to naught. Unfortunately, another very important requirement also needs to be taken into account: whether the international community is willing to supply the support that is necessary. I will come back to this point later in my presentation, but let me mention here that a week ago, it was announced that despite the request from UN Secretary General Kofi Annan to have the MONUC operation in the DRC extended by a year, it was only extended by one month – it is unclear to what extent the UN would continue its support; but what is clear is that even if it does grant a one year extension, the UN will attempt to wind down the MONUC operation as soon as possible after the election of a new government in that troubled country.

I use as a starting point the assumption that failed states are worthwhile rebuilding, i.e. that because states seem to be the only political entities at this point in time able to provide the necessary political goods to its inhabitants, they are worth resuscitating. This is of course a gross generalisation, but the time constraints of this panel do not allow for an interrogation of the assumption.

Lessons from the reconstruction experiences of other failed states
Turning to the apparent success of the rebuilding of a number of failed states with the assistance of the international community, the following forms of assistance seem to be particularly helpful and effective:

Peacekeeping

Restricting the sales of commodities that fuel the conflict
Generous aid
Establishing the rule of law, usually by establishing a special court to prosecute war criminals
A peace guarantor – e.g. Sierra Leone – peacekeepers are gradually being pulled out, but Britain has guaranteed to send back its troops should rebels attack the fledgling state.

These five methods of international support are general and based mainly on experiences in Sierra Leone and to some extent Liberia (though it is not at all clear that state-rebuilding in that troubled country is successful at present) and therefore one needs to be careful to assume that any or a combination of these would necessarily be successful in assisting a country such as Somalia, or, given the nature of the problems of Sudan, that country. Arguing for a role for the international community cannot be delinked from the specific historical context (in the broadest sense of the word) of the region under discussion and international support needs to be finely coordinated and calibrated to suit the specific needs of specific failed states. It is possible, though, to take these general measures and tailor them to specific cases.

Peacekeeping

In a study done by Collier and Hoeffler (2001) on the most cost effective ways of intervention in failed states, they draw the conclusion that UN peacekeeping is the most successful strategy. In this they are supported by a study from the Rand Corporation of 8 UN peacekeeping missions of which 7 were successful, as opposed to 8 American peacekeeping missions, of which only 4 were successful, 2 of these being Japan and Germany at the close of the 2nd World War and therefore perhaps not as relevant to contemporary attempts at rebuilding failed states, given the completely different context in which the interventions occurred. It would also seem that when compared with the destruction and havoc wreaked by violent conflict, peacekeeping is relatively cheap. But there are a number of aspects to be kept in mind:

Who takes responsibility for organising a peacekeeping force? Should it be the UN? In the case of Africa, should it be the African Union? As we know, there is at present a serious difference in opinion regarding the composition of an AU peace-force for Somalia: should the peacekeepers come from or include contingents from neighbouring countries? Crucial to such a decision is the question of the legitimacy of such a force, in other words, under what conditions would a peace-keeping force – both its composition and its mandate – be acceptable to the inhabitants of the country in question? A peace-keeping force without legitimacy would be a waste of resources, but more importantly, it could actually reinforce enmities, worsen internal relations and impede or obstruct attempts at reconstruction.

The mandate of a peacekeeping force is crucial to the success of such an operation. In the case of failed states suffering from long-term conflicts and the total destruction of state capacity, more than traditional Chapter 6 peacekeeping is needed. It is not enough to patrol the peace, or to assist with demobilisation, exiting as soon as possible, usually after the conclusion of an election or relatively soon thereafter – often after an event specified in a peace agreement. Increasingly it is clear that peacekeeping should extend over time and should comprise of a development component focused in particular on state building. In some instances it would seem that humanitarian assistance can be provided sufficiently by international humanitarian groups, provided that they liaise with the peacekeeping force, but unregulated and ad hoc NGO assistance at other levels may prove untenable and counter-productive.[6]

However, time is of the essence: after the failure of the US/UN peacekeeping force in Somalia in 1993, the Americans, and by extension, the UN, have become almost obsessed with the idea of an exit strategy, often confusing it with a specific date for withdrawal, rather than basing such a strategy on a comprehensive overview of aims and objectives necessary to ensure long-term benefit from the intervention. It would seem that peace-keeping in failed states requires, above all, a commitment to stay as long as it needs to ensure that initial gains are consolidated and reproducible even after the peace-keepers had left. In this regard, Stephen Ellis (2005) has recently suggested that such peacekeeping and support activities would be necessary for up to 10 years after the conclusion of peace agreements and two functions would be of core importance – providing basic security and allowing and encouraging expatriates from the Diaspora to return. This issue of the role of the Diaspora is one that we have not fully explored yet. A positive role for the Diaspora cannot be assumed – often funding for rebel activities comes from this group.

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[6] In the case of development assistance to South Africa, one of the important lessons learnt, was that capacity building in terms of the judicial system, including the police service, and capacity building for revenue collection were crucial to the success of the new government, and for obvious reasons. After all, a state cannot function without revenue, and it cannot legitimise itself without providing at the very least some basic protection to its citizens, including recourse to the law.

What is meant here is that ways should be explored as to the extent that the Diaspora can in fact be utilised in a constructive way in peacebuilding efforts.

3. It should be clear from my comments here that by 'peacekeeping force' I do not restrict the nature of such support to a military strategy, nor do I suggest that the military be used to promote democratisation – I have in mind a much broader support team with a substantial civilian component.

Restricting the role of commodities that fuel the conflict

In the case of the conflicts in the Horn of Africa this requirement would not seem applicable at first glance, as it derives from lessons learnt from the conflicts in countries such as Liberia, Sierra Leone, the DRC and Angola where the trade in specific commodities, usually 'blood diamonds', contributed to the continuation of conflicts, not only by providing the resources for fighting, but also creating vested interests in the continuation of wars – and profits. But this requirement is not completely irrelevant if adjusted to the specific circumstances of the conflicts in the region. The international community can assist in terms of focusing on the transfer of arms to conflict areas – already there are sanctions in place in the case of Somalia, but with reliable reports of widespread violations of the embargo. In Sudan, even members of the Security Council continue to provide arms to the government in Khartoum, in other countries in the Horn arms expenditures remain very high. Again – conditions and contexts differ across the region, but stricter measures on arms sales and transfers are a way in which the international community can assist in at least restricting the weapons that fuel ongoing conflicts.

It may also be necessary for the international community to take careful stock of the economies of the region in order to identify entry points for intervention – organised crime remains a problem within Somalia, for instance, and constitutes a threat against the TFG. An important question in this regard is the extent to which the TFG's military and security powers should be strengthened and whether such moves would actually benefit people, and not escalate arms procurements by various groups, including the military.

Generous aid

The provision of aid for developmental purposes is another crucial way in which the international community can contribute to the rebuilding of failed states. This is a topic unto itself, but a few brief comments will have to suffice:

Not only the amount and nature of aid are of importance, but also the focus areas: to what extent should aid be channelled through civil society organisations (and on what basis) and/or through government or state agencies, in which areas and what forms of control and monitoring would be sufficient to ensure efficiency? In other words, international aid could be beneficial, but again only if carefully targeted in terms of recipients and focus areas.

Improved transport and communications is usually crucial to the rebuilding process, though it carries its own potential dangers in that it might also benefit illegal trade and organised crime. Opening roads, for instance, promote mobility, but only as long as these are safe to use and properly maintained in the long run.

International aid should perhaps also be largely focused on services and needs that will restore people's confidence and hope: food, shelter, basic health, basic education, and other services, but keeping in mind that these needs and services are the duties of the state and it is of overall importance that the state should be strengthened to the extent that it would be able to supply these needs and services in the long term – therefore my earlier point about the importance of state building and strengthening the capacity of the state. If one works on the assumption that the state should be re-built, it is important to assist it in building legitimacy and not to build 'counter-points' to state authority, especially in terms of the distribution of public or political goods.[7]

In the case of Somalia, for instance, the international community can render very practical assistance by focusing on the possibility of strengthening the fishing industry of that country, even though this is an area to which Somalis have not traditionally paid much attention to. It is sad, and deplorable, to think that a potential lucrative source of income and job creation is not only neglected, but currently being plundered by the fishing fleets of other countries, often with the assistance of local warlords. Along the same lines, the international community can assist in safeguarding the Somali coastline which has over the past several years become a dumping ground for toxic waste from developed and other countries, thereby creating a very real and serious long term threat to human security in the region.

Establishing the rule of law

When looking at the apparent, though halting, progress made in rebuilding a failed state such as Sierra Leone, there is a general consensus internationally, and to some extent also within that country, that people's confidence in the judiciary should be restored and that one way of doing this, is to combine it with actions to apprehend and prosecute those accused of gross violations of human rights and of having committed war crimes. Last year we discussed as our main theme of this conference the role of truth and reconciliation commissions in state and nation building and I do not want to open this debate again, except to point to what seems to be general support in the literature and scholarship internationally for such a process. I do believe, however, that this is a difficult, emotive and contentious issue and international involvement in such a process should be very careful and sensitive as the nature and content of such a process might under certain circumstances actually either result in a resumption of conflict or in a kind of 'show' of justice being done without much substance or effect.

In short, the issue of how to deal with these matters in the aftermath of conflict, is, as far as I am concerned, one of the most difficult ones and therefore one in which the international community should be very careful in getting involved. One is confronted with serious ethical problems: in Liberia, for example, no way out of the conflict could be found until some exit strategy for Charles Taylor was adopted and he was offered refuge in Nigeria and an apparent guarantee that he would not be prosecuted for war crimes. Although it was necessary to make this arrangement in order to move the peace process forward, the decision has seriously undermined the legitimacy of the peace agreement, apart from also of course leaving Mr Taylor relatively free to dally in the politics of his home country. Also, continued external support should be guaranteed

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[7] This is a somewhat contentious issue. Some people believe that basic services should be provided by the state as it forms part of the legitimisation process and that if NGOs do this job, they may actually undermine the legitimacy of the new government. On the other hand, often a government emerging from a prolonged period of civil war and destruction does not have the necessary capacity to utilise development aid for the purpose of providing basic services.

– during a recent donor conference less than half the amount of money that is necessary to carry on the work of the war crimes tribunal in Sierra Leone was pledged.

A peace guarantor

It is generally accepted that the apparent success, however small, in the rebuilding of Sierra Leone, rests on the fact that the peace agreement in that country is guaranteed by a strong external actor that has proved its commitment in the past and therefore has legitimacy in the eyes of local people and their elected government. The UK has undertaken to return to Sierra Leone should rebels attack the government and thus far this guarantee seems to be sufficient in preventing renewed rebel attacks, thereby allowing the slow and torturous process of reconciliation and state building to continue. Whether such guarantees in the case of e.g. Somalia would be possible, is not clear. The context differs immensely from that of West Africa in general and Sierra Leone in particular. Furthermore, the UK works closely with the region's hegemon, Nigeria, whereas the same conditions do not hold for the Horn of Africa. But thus far there is little indication that the international community is willing to back agreements in the Horn to the extent that Britain has done in Sierra Leone. The Somali negotiations have been sponsored (financially) by the EU with Italy being fairly heavily involved, but whether there is any intention of providing a 'peace' guarantee beyond the five-year transitional government period, is not clear. One possible problem with the idea of a peace guarantor is that one government can pledge such support, but if a new government takes over, it might not necessarily support the commitments of a previous one (I am referring here to instances where an international actor may commit to such a guarantee.)

Conclusion

Rebuilding failed states is not a topic to be properly or duly covered in 15 minutes, but I trust that some of the aspects touched upon in this presentation will at least provide participants with food for thought. Building on the example of SA's transition I firmly believe that the international community has a role to play in rebuilding failed states – not only that, but it is the duty of the international community. Something that I did not touch on at all, is the question of the extent to which the role of the international community should be one of coercion, but that is, again, a separate and also a very contentious topic. What is clear, though, is that the first and last rule should be: Be Careful and Show Respect, or, as it has also been put: do no harm.

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Rebuilding Society or the problem of Societal Order:
Elements and Processes
Janis Grobbelaar

Introduction

This paper is concerned with *conflicted and torn or broken societies* and with questions of societal building and rebuilding so that all people can enjoy the opportunity to live full, self-actualising and decent lives. I assume as my starting point that not all societies in disequilibrium reflect the same degree of conflict nor are they (necessarily) conflicted for the same reasons. Each needs to be considered and studied in terms of its peculiar circumstances and particular history - in terms of the past, the present and within the context of international, as well as local and regional dynamics if we are to sensibly engage not only the reasons for societal conflict but ways to end it and to build less frayed societies. On the other hand this does not mean that each and every society is so *exceptional* that we cannot learn from one another. Furthermore it is important to note that even though a society may be reflecting signs of stress, of dysfunctionality and of collapse that the latter is always the result of processes. And, moreover that such processes are not inevitable in that once started they cannot be stopped and turned around. In other words they are not logically determined in the final analysis.

People have the ability to change their circumstances and they can and do even in as much as they are part of the process of what may be happening to them and their respective societies. Human agency is an enormously powerful force and must always be kept in mind in such circumstances. There is much to be said for Marx's famous words from the 1859 *Preface.* People do indeed *make their own history* and *in circumstances directly transmitted from the past.* In South Africa's long *struggle* for a non-racial and democratic society and state, not all *white* South African Africans *allowed themselves to be viewed only as part of the problem: a significant number saw themselves also as part of the solution* and took part in the liberation movement in these terms notwithstanding the difficulties involved.

Moreover and further to the above it is important to note that 'othering' is most often used as a mobilising strategy by those who wish to take, or, to hold power for themselves at the expense of society as a whole (as did white South African Africans for hundreds of years). Such 'othering' mobilising strategies are far from innocent. They seldom take place in benign political conditions whether they are structured around apparently moral *human rights* calls for ethnic/cultural survival; in the name of religious freedoms or around the notion of the so-called primal roots of *clanism*. 'Othering' nearly always serves the socio-economic and socio-political interests of particular individuals and groups in conflicted societies. It is a strategy of division and exclusion in pursuit of power at the cost of the majority.

One way of viewing the range of contemporary societies that are being torn apart by civil war, banditry, subjugation, exploitation, tyranny and hence growing chaos is to view them along a continuum of sorts. At the one end of the continuum could be, for example, a *failed state* (e.g. Somalia) and, at the other, one such as South Africa. The latter - once seen as doomed by all serious analysts - is making some very good progress - away from the exploitation, conflict,

misuse and oppression that seriously destabilised both society and state over a very long period of time. This kind of approach could facilitate the understanding not only of the differences, difficulties and complexity of the problems such societies are caught up in but also any similarities. The latter could help us learn from one another. And it is for this reason that what this paper has to say is often drawn from an understanding of the South African experience (with which I am most familiar) of trying to (re) build society and social order and to reconstruct and strengthen our state. The latter had been drastically weakened in several ways by the time F. W. de Klerk made his seminal and quite unexpected speech at the opening of Parliament in February of 1990 in which he announced the release of Nelson Mandela and all political prisoners and un-banned the long banned African National Congress (ANC), South African Communist Party (SACP) and the Pan Africanist Congress (PAC).

South Africa's future is not *fixed* – it too is not logically determined in as far as we have experienced *a small miracle* of political conflict resolution, the end of a long civil war, free and fair elections and are in the process of reconstructing society and social order. In other words, not all of the necessary or even the sufficient conditions are in place to ensure a long term stable future – yet. But 10 years of reasonable societal stability and universal franchise have passed and we have survived and progressed. We have held three general elections since De Klerk's speech. Each has brought further evidence of increased maturity, growing social and societal tolerance, some economic redistribution and the institutionalisation and hence deepening of democratic practice. The South African economy has grown substantially in these conditions even though the unemployment rates are much too high to underwrite a lasting societal order. For the time being however South Africa has crossed the abyss of state and societal failure and has made important gains for its people.

Society, power and the state?

Without wishing to enter into or to oversimplify the many complexities of the various social scientific theoretical debates and theories around "absolutely correct" definitions and understandings of concepts and phenomena such as *the state* or *a society* and how the two coincide or relate to one another, the following: both concepts have become part of everyday language and in this sense they have very broad meanings that resonate for most of us. They are not and are not viewed as inter changeable in the literature however or as such in this paper.

Whilst states and society respectively function in tandem at times, and not at other times, they are *inescapably* related to one another and need to be understood as referring to analytically and *practically* different elements of the collective living together of people. This paper looks at societal order and conflict but it needs to be noted that a society cannot be fully understood outside of its relationship with the state (or for that matter vice versa). Further it should be kept in mind that this relationship is not a static one. It is both dynamic and variable. The one acts upon the other and can only be fully grasped at any one point in time and place empirically.

Peace, social order and calls for an end to societal conflict, that is, tyranny, civil war, warring countries, chaos and terrorism have come to be understood at the start of the 21st century not only via arguments that stress the enlargement of political and economic centres by way of inclusion and the extension of democratic government and an unfettered market, but also by guaranteeing *human rights* and the primacy of human rights law. The *bringing together and reconciling* of people so as to build the equilibrium and peace needed to advance and stabilise society has, on

the face of it at least, become central to societal conflict resolution and peace building projects all over the world.

A strong state that is complimentary to a healthy society sociologically speaking is also required if social order is to be established. As Ayoob (2001:134) points out, 'in the absence of even rudimentarily effective states to provide a minimum of political order… the concept of human rights remains nothing more than a pure abstraction.' What prevails without an effective state of sorts is a truly Hobbesian condition of nature. This is not to say that states that do not fail or collapse are necessarily *functionally positive, facilitatory* and *enabling* institutions and systems. There are many examples of states, far from collapse or failure that act as destabilising and disabling forces on society and that threaten inhabitants on a daily basis making social life and living extremely hazardous at best.

In the light of the above it may be suggested that the rebuilding of failed states *successfully* requires an articulated and apparent consensus of the societal need for such reconstruction to take place and a range of requisite key institutions, institutional relations and social processes to provide both the necessary and sufficient cohesion, that is, the societal foundation upon which any state must rest in order to be viable over time. The state as the political organisation that captures the broad goals of society and hence guarantees people's collective basic needs is therefore premised upon, and dependent on, social and societal patternedness. That is, functioning institutions such as the family, and legal, religious and educational systems. The latter institutions need to be rooted in a sufficient consensus around a range of central and indispensable moral values so as to be sustainable and must incorporate processes that provide for the ongoing possibility for social and hence societal change. Society is therefore the body that must *practically* provide and reproduce predictability or order and stability via structural as well as processual means and in so doing make it possible or legitimate for a state to exercise power.

In this regard Samatar (1994:12) for example refers to the need for a 'viable political centre of gravity' for collective existence, i.e. the need for the state, to hold a 'monopoly of power' in Max Weber's famous terms. Weber argued that this 'monopoly of power' that was in the hands of the state needed to be held to be legitimate in the eyes of its citizens because it may need to be exercised in a way that involved opposition. In this sense a state must draw on the social capital accorded it by its citizenry or the social patternedness and institutional nature of social life without which it would need to depend upon coercive force for survival. For Weber power is the probability that a command will be obeyed or that an action will be carried out even in the face of resistance. When the exercise of power is regarded by people as being legitimate it becomes *authority* according to Weber. This legitimacy or willingness to accept power being exercised draws on all or any one of three sources: legal rational (formal rules established by rational public procedure), traditional (the embodiment of custom) and charismatic (the transcendence of either of the aforementioned).

Broadly speaking the aforementioned argument can be used to better understand some elements of the South African *small miracle.* In 1990 a functioning (apartheid) state existed in South Africa. This state was weak in terms of societal legitimacy both internally as well as internationally. Social order in South Africa was maintained almost exclusively by the use of *illegitimate* power, that is, coercion. Very little value consensus existed in South Africa and even the social capital the government and the state had once enjoyed from its ruling white caste was seriously unstable and threatened. Nevertheless, the state was underpinned and existed by virtue of rational legal power as reflected by a range of societal institutions (such as a legal system,

educational institutions and a relatively free press). It needs to be emphasised that no serious commentator or scholar saw South Africa as a society being threatened by immediate implosion in 1990 and hence no one expected De Klerk's 1990 announcements. The South African security forces were in control of the state and they determined societal order. The forces of the liberation movement were in no position to effectively challenge their control in 1990 and was'nt doing so.

After the first democratic election that took place in 1994 the nature and basis of power and power relations in South African society changed radically. For example, Nelson Mandela as President, as well as his first government and cabinet enjoyed and drew upon all three of Weber's analytic dimensions or types of legitimacy as they began to reconstruct South African society. The new government ruled through a fully and thoroughly negotiated legal and rational constitution (the South African Interim Constitution of 1993). Moreover it was a government and cabinet of national unity. In the second place, both parliament and the cabinet drew on the enormous and charismatic stature of Nelson Mandela himself as well as that of many of his erstwhile comrades. Even F.W. de Klerk enjoyed a certain stature both nationally and internationally for what he had done in 1990. Mandela had made him one of two deputy-presidents (the other was Thabo Mbeki). And, thirdly, it should be remembered that Madiba (Nelson Mandela's tribal name) enjoyed traditional power as did some of the other members of the government and the cabinet. For example, chief Mangusotho Buthelezi (a senior Zulu chief who is leader of the Inkatha Freedom Party). Nelson Mandela himself had grown up in the household of the Tembu Paramount Chief after the death of his father. The latter had been a chief albeit a minor one.

Arguably Weber's definitions of power and authority are both institutional and dynamic or relational. They suggest that power is exercised in the understanding and acceptance that there are different interests between those who hold it and those who do not by the majority and that this is an essential value upon which sufficient consensus has been reached. Legitimacy and therefore a state with authority in Weberian terms exists when people believe that power is being exercised in terms of goals that are sociologically desirable, institutionally rooted and in their interests overall or, that of society as a whole. Power is, in other words, not merely something 'out there' that exists objectively and outside of the realm of human beings and their actions. It is rooted in the living together of people and is therefore essentially social.

What kinds of institutions and processes are the keys to social order and hence to societal stability or collective living in an environment of tolerance and trust?

Some key elements and processes toward renewed society

How is society possible at all? Why is daily life ever generally ordered and predictable and people on the whole know how to behave towards one another? Why are there not more revolutions and more societal conflict?   If an answer to these questions can be found it should help explain what it is that needs to be done to prevent societal decay and chaos. As has been suggested, the short answer is that society is possible and sustainable when social or societal order exists. The literature reflects two broad ideal type explanations in response to *the problem of order*.

The first stresses the role of shared values and norms. The proposition here is that the members of society have key values in common, for example, a belief: in the importance of peace; in the

relevance of marriage and the immense significance of family life; in the right to education; in the right to life and hence to employment and shelter etc. In this argument a (sufficient) consensus of values brings about stability and order. These kinds of theories point further to the cohesive role played by religion in uniting people and populations around a common set of values. This type of answer could include the notion that it is in the self-interest of all individuals and collectivities to maintain social order and that they will therefore act rationally to do so in the final analysis and, moreover, that there is a predisposition or tendency for societies and communities to want to live stable and peaceful lives.

In the second ideal-typical explanation social order tends to be ultimately coercive. Here domination, force or the threat of force is stressed so as to explain peace and stability. In this view the military and the police are seen as agents of illegitimate states ultimately where many forms of negative sanctioning characterise the daily lives of people as was the case in South Africa for hundreds of years. Authoritarian institutional structures ensure compliance in society overall in this view.

The judiciary and the instruments of law and order

The law and in particular the notion of the rule of laws and due process lie at the centre of (sociologically) healthy societies. Essentially, if people cannot and will not make rules to live by and apply them fairly they cannot and will not be able to live decent moral lives. An institutionalised legal and judicial system that is viewed as legitimate in principle, at least by the majority of the citizens of a country, is arguably the most basic project and challenge to the rebuilding of previously conflicted societies. Societal cohesion depends not only on a shared set of basic values but also on an infrastructure of rules, norms and sanctions that are taken up in institutions, the overarching and most formal of which is a judicial system.

A journalist has referred to Somalia as a country filled with 'warlords, warmongers and wannabe presidents' (Yusuf, 2004), having 'neither an ideology nor a political agenda', but only an interest in the 'exploitation of confiscated properties, plantations, ports and airports, as well as in drug trafficking and arms trade.' All of this in lieu of a functioning, legitimate legal system or any semblance of the rule of law. Inevitably, the matter of the relationship between crime and politics is raised. South Africans view crime as one of the two biggest problems that need to be overcome in the post apartheid era. We have some of the highest crime – particularly violent crime - figures registered anywhere in the world. In a seminal article by Stanley Cohen titled, *Crime and Politics: Spot the Difference,* he introduces the notions of politics and crime becoming indistinguishable from one another and the … *criminalisation of certain forms of political action* (Cohen, 1996:19) especially in erstwhile deeply divided and conflicted societies.

Whilst, and by way of illustration, the Somalian and South African situations are very different, both are confronted by not unrelated crises with regard to questions of, for example, high crime rates and the societal moral decay that underpins it. In South Africa the legal system never quite imploded during the apartheid era and in fact the liberation movements and trade unions often used the courts to their advantage. Post apartheid heralded the setting up of a Constitutional Court which enjoys the support of the majority in principle. The latter has sanctioned government often over the past 11 years for not abiding by constitutional requirements, the most famous of which is the judgement handed down by the Constitutional Court in favour of the Treatment Action Campaign (TAC) action against government on the matter of supplying hiv positive South Africans with anti-retroviral drugs. The courts decided that government was

required to supply the drugs free of charge, if need be in public hospitals. However, it is not an easy task to restore people's faith in institutions such as the criminal courts that had failed them (see Thurer, 1999) over time. In South Africa the country is waging a battle within itself to redefine violent crime and corruption in much the same way that other deeply divided societies are forced to and as will be Somalia.

In South Africa one of the ways of addressing this enormously deep lack of trust in the judicial system and due process and at the same time promoting reconciliation at a horizontal level, was through truth commissioning, a topic that I addressed at last year's conference. I want to return to one set of the problems I raised then today. The pressing and persistent questions of accountability and impunity and those of retribution are ongoing and cannot be 'fixed' overnight. The argument is made that without punishing those guilty of the gross violation of human rights, people's faith in the instruments of law and order will not be restored. At the same time, though, as was seen in the case of Liberia for example, it might be impossible to move forward without some arrangement or agreement around leaders guilty of war crimes. Charles Taylor only agreed to leave Liberia on condition that he not be prosecuted and it was not until such an undertaking had been given that progress could be made towards rebuilding that country. The problem, though, is that it would seem that Mr Taylor is still involved behind the scenes from the safe haven provided by Nigeria, instigating conflict and mayhem in Liberia. The question therefore of how to deal with justice in a society that has collapsed, becomes an extremely difficult one to navigate, even though the power of a truth and reconciliation process should not be underestimated. In this regard the idea of transitional justice is used in trying to negotiate a bridge between the invalid past experiences and the ideals of the future.

A judicial system and the agents of law and order should also address the criminality and banditry that result from the collapse of society and threats that derive from arms trade and the availability of small arms and other instruments of death and destruction that pose a threat to young and weak administrations. Furthermore, calls for demobilisation and for the collection of arms, often with a reward attached, might undermine the legitimisation of state power, as it is sometimes viewed as a reward for killers and criminals, whilst those who had not participated in violence receive no recognition, an allegation often made in Liberia and Sierra Leone.

In South Africa the state has been trying to rebuild the South African Police Services by de-politicising and de-racialising the police force with international support and help. This requires inter alia a massive and society wide re-socialisation process. Policing had become deeply politicised as the apartheid state used more and more coercion over time so as to maintain a semblance of societal order. Whilst there is some progress, this is a very difficult matter and the project will require much time and further effort. For a very good overview and evaluation of these matters see Bill Dixon and Elrena Van der Spuy's book titled: *Justice Gained? Crime and Crime Control in South Africa's Transition*.

So as to contain crimes that directly and invidiously threaten the moral order such as the growing amount of rape of women and children, much stricter sentences, for example, are being handed down even though it is extremely difficult to technically prove rape in a court of law and only a small percentage of guilty sentences are ultimately found guilty as a result. In this regard society is being actively mobilised also by government whose members, including President Mbeki, regularly state in public that the struggle for a free and democratic society is being undermined by unrecognisably high rape statistics. Further, both the legal and the judicial systems have been

and are being reviewed. Forms of indigenous law have been officially incorporated into the corpus of South African law. Inter alia, women's property rights have been strengthened.

The question of corruption and the will to prosecute has been squarely faced by government when the state charged Deputy President Jacob Zuma in this regard. Mbeki dismissed Zuma and his case is pending. The matter of the relationship between crime and politics lies at the heart of this matter and whatever the outcome, due process will have been followed.

Trading, pact making and elites. Can they bring along their constituencies?

A rather thorny issue concerns leadership – who make the deals in terms of which the state and society are to be rebuilt? Is such leadership built on legitimacy or on some form of coercion? And if the latter – coercion (and therefore lack of trust), what guarantee is there that any rebuilding whatsoever could really take place, given that part of the 'price' to be paid for reconstruction and development is a re-instatement of checks and balances, and rules and regulations that might undermine the benefits derived from state failure and the lack of oversight in such an environment. Here I want to refer again to the South African experience: apart from the existence of a core, legitimate and in many instances greatly admired leadership at the time of the transition, there were also concerted attempts to cast the leadership net wider, basing selection and later election to such positions on a variety of differences (rather than divisions) within society – some political parties were ethnically based (IFP, FF etc), but the core division in society – that of race – was not allowed to become a marker or requirement for any party or position within the political leadership. In fact, an underlying principle on which the negotiations towards a transition were based, was to consciously remove the formalisation of any aspect of racial separation in the new political environment.

Two ways in which some of the problems regarding doubtful leadership might be ameliorated, though obviously not completely solved, are the existence of a free press and of a constitution.

Rebuilding the civil service

A crucial aspect of creating trust and promoting legitimacy for the state as the locus of power and authority in a society is by providing the basic services traditionally associated with the state – health services, transport, communication, revenue collection, land management – the list is long, but the benefits may be great, even at the level of some very basic services that might empower people to start to rebuild their lives again. Although some scholars refer to the fact that many states in Africa are in no position to provide public goods, such provision by private institutions, for instance security by private security firms, is not viable in the long run, simply because the normative principles on which the provision of such services is based, are anti-ethical in many instances and mostly exclude any opportunity for decision-making participation on the part of those on the receiving end of such services, thereby running the risk that such services, as is also the case in instances where states have fallen into the hands of war lords and predatory leaders, will become instruments of patronage to be dealt with at the whim of those who provide services.

Therefore, however much the idea of 'building the civil service' might smack of a romantic vision of the state and what it can do for its citizens, such visions and ideas are necessary, and evidence exists of these ideals being realised. In South Africa immense effort has gone into the development of the capacity of its civil service, first and foremost in order to address poverty and

deprivation. Many problems remain around the civil service, but there is no denial that over the past 10 years the state has managed to increase the number of people with access to clean water, sanitation and basic health rather dramatically, even in conditions of wide-spread unemployment and jobless economic growth.

A strong civil service is also needed in the case of restructuring property relations. Abdi Samitar (1994) refers for instance to the need for land reform in Somalia as part of rebuilding that country, in particular its agri-economy. In South Africa land reform has also been identified as necessary for long term peace, stability and justice. But in the absence of clearly defined, viable policies land reform may in fact contribute to the disintegration of the social fabric of life, as has been the case in Zimbabwe. Land reform is not a case of simply implementing a policy that redistributes land tenure or ownership, but a complicated web of vertical and horizontal linkages extending across society and being dependent on the existence of a norm that includes government and civil society co-operation in order to implement policies. Again, the provision of law and order, and the rule of law and recourse to the law, also become supportive of a legitimate exercising of political decisions and bureaucratic rules.

A problem that often arises in post conflict peace building situations where there is a strong international presence related to rebuilding exercises, is that of international bodies 'poaching' experienced civil servants, usually for the simple reason that it can afford to pay higher salaries. It is difficult supporting a weak government without actually supplanting it and peace building agreements need to pay attention to the delicate balance required between the needs of rebuilding society and state and ensuring capacity for implementing government policies at the same time.

The role of education

Rebuilding a collapsed society does not only concern remedying the failures of the past. It also concerns the future – giving hope to our children. What is the inheritance of the children caught up in the wars of their elders, and how will they live together after the 'men with guns' had departed? This is perhaps the ultimate challenge for deeply divided societies emerging out of prolonged violent conflict. There is no denial that children emerge from such conflicts deeply traumatised and with little faith or hope, and often ill-equipped to deal with a condition of peace. Yet, they are the future, and the way in which they are educated, will be crucial to the success of any rebuilding exercises in the long run. Therefore, an early and serious consideration of the values and knowledge to be transmitted through the formal education system as one of the main socialising agents of our contemporary world, is of utmost importance.

Conclusion

In conclusion I want to quote Robert Rotberg (2002:93) when he perceptively argues : 'State failure is man-made, not merely accidental, nor – fundamentally – caused geographically, environmentally, *or externally*. Leadership decisions and leadership failures have destroyed states and continue to weaken the fragile polities on the cusp of failure.' It follows therefore that the rebuilding of failed states also needs to be human-and societal made.

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Investing in Rebel States
Lisa Magloff

Barbara Walter[8] points out that the biggest negotiating challenge facing combatants in intrastate wars is not the resolution of the underlying issues of the civil conflict, but the designing of credible guarantees on the terms of agreement. Third party assistance is invaluable in providing such guarantees. In peace negotiations, emphasis is often placed on providing peacemakers and military assistance with demobilization of combatants. However, I argue here that guarantees of financial assistance are just as important in securing a lasting peace and building credible government institutions.

However, not all financial investment and assistance is equal, and not all post-conflict states are in the same position to make the most of outside investment. In order for investment to be productive and credible, both the state and investors must meet certain conditions and criteria.

As Schwartz, Hahn and Bannon[9] have pointed out, countries or regions emerging from prolonged periods of civil conflict face a bitter paradox. They urgently need basic infrastructure services, but they lack adequate public revenues, government capacity and investor interest to provide those services. Furthermore, while donor aid is often high in the immediate post-conflict period, countries often struggle to absorb this aid due to capacity constraints. The result is often a reliance on previous institutional and legal arrangements for infrastructure provision that are no longer applicable; postponement of regulatory reform; donor-driven contracts that are not linked to long-term arrangements for service provisions; and the emergence of small-scale local and diaspora funded investor operations offering basic services but without the benefit of debt financing, credit, scale economies, official recognition or quality of service regulation.

Civil conflict has a tendency to leave the state with weak institutions and poor transparency. At the same time, rebel groups may have managed to build up relatively strong local institutions and institutional practices. This is partly a consequence of the need to recruit, train and retain soldiers. Rebel groups tend to build stronger local institutions in states where war has continued for a very long time, and where the opposition has been motivated by autonomy or secession, rather than strictly rent-seeking. In order to lower the high opportunity costs to war, some rebellions organize state-like institutions to collect taxes and conduct business in the areas they hold. In this way, these rebellions may pursue large-scale, longer-term goals based on ideology and state formation.

This was the case in Somaliland, Eritrea and southern Sudan, for example. In these cases rebel movements evolved into a 'rebel state' complete with state-like institutions, ideology and governance practices. These state-like institutions were generally applied to the civilian population in the areas the rebels controlled and not only to the members of the rebellion. Because most rebel armies start small and grow they have the ability to develop organizational

[8] In Committing to Peace. Princeton: Princeton University Press, 2002

[9] Schwartz, Jordan, Shelley Hahn and Ian Bannon. 2004. "The Private Sector's Role in the Provision of Infrastructure in Post-conflict Countries." *Conflict Prevention & Reconstruction Working Paper* No. 16. Washington, D.C.: World Bank.

strategies that suit their needs[10]. This makes them more flexible and responsive than most governments. At the same time, conflict often causes the state itself to lose a measure of control and grow institutionally weaker, in the cases of Ethiopia and Somalia, collapsing completely.

Reno[11] suggests that the difference between a predatory rebel group or warlord and a stable, state-like rebellion is that in the later the rebel group exerts control and commands legitimacy by cooperating with local social structures to create a centralized authority. This is a long-term strategy, which eschews predation through theft and other violent means, and instead claims rebel 'citizens'. The rebellion is thus able to provide security and other elements of societal value, which are normally provided by the state. Why do some rebel groups pursue this type of long-term strategy while others pursue short-term strategies of predation? One answer may lie in the goal of the rebel group. A rebellion that is motivated by a desire to redress institutional deficiencies in the state may itself be more likely to develop state-like institutions. This will help build a consensus for change, or even establish the basis for a secessionist state.

Thus by the end of the conflict, these rebel states may have already overcome some of the difficulties surrounding the immediate post-conflict period. In some cases, they may already have a degree of commitment to democracy and democratic values and a civic culture, or at least a strong civic identity coalescing around the values of the rebellion. In the post-war period, these rebel states may actually offer the best opportunity for building strong state institutions and consequently the best post-conflict option for investors.

We also need to acknowledge that in many failing states, or states undergoing civil war, the state may never have captured large segments of the population. There is a good deal of evidence emerging that in regions where the state has traditionally failed to capture segments of the population, civil society organizations, rebel organizations and clan or tribal structures develop to replace some of the functions of the state. Over time, these institutions build up a good deal of trust among the local population[12] and can end up 'capturing' them more effectively than a state government. This can carry over into the post-conflict period, as people continue to trust local institutions over a state they have little experience of and little trust in.

Thus any business wanting to invest in a post-conflict state where a proportion of the people have placed their trust in local, unofficial or 'black' businesses or organizations, needs to examine ways of working with these groups in order to build trust among the population.

Risks of renewed conflict
Post-conflict societies tend to have an increased risk of renewed conflict. According to one study, a typical country reaching the end of a civil war faces a 44% chance of returning to conflict within the first five years[13].

There are many reasons why reoccurrence of conflict is so prevalent: the risk factors which made the state prone to conflict may still be present; or the conflict may have caused underlying

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[10] Sambanis, N. 2003. "Using Case Studies to Expand the Theory of Civil War." *Social Development Papers: Conflict Prevention and Reconstruction* Working Paper No. 6 Washington, D.C.: World Bank.
[11] From a working paper: Reno, William. States, Border and Nations: Negotiating Citizenship in Africa. Presented at the Annual Conference at the Centre of African Studies, Univ. of Edinburgh 2004.
[12] See Little, Peter. Somalia: Economy without state. James Currey, Oxford. 2003.
[13] Collier et al 2003 Breaking the Conflict Trap—Civil War and Development Policy, World Bank Policy Research Report

factors, such as per capita income, to deteriorate; and new risk factors and grievances may have emerged during conflict.

Since conflict adversely affects business and investment, one goal of any post-conflict investment must be to create an atmosphere that lessens the chance of any further conflict. Here, we also argue that certain types of investment, and investment in certain regions within a state, are more likely than others to achieve this goal. In some cases, outside investment to regions controlled by rebel groups can decrease risk factors for continued conflict.

A second major investment risk that must be considered is the legality of investing in an entity that is not internationally recognized. One good example is Somaliland, which has established a relatively stable and democratic rebel state. Yet the lack of international recognition for Somaliland's government and laws means added costs and added risks for international businesses there.

There may also be difficulties involved in the legalities of the peace agreement; for example, when a peace agreement does not spell out exactly who will control disputed regions or who will be in charge of allocating mineral or oil mining rights in disputed or rebel-held areas. This has been the case in South Sudan, where southern and northern governments have sold rights to the same oil block, located in the south, the former rebel state, to two different oil companies.

Post-conflict reconstruction

As a result of peace and the inflow of aid, countries generally experience a spurt in economic growth during the immediate post-conflict period. However, this is precisely the time when it can be most dangerous to flood the post-conflict state with aid. Aid tends to peak immediately after conflict. As the country emerges from conflict, donors increase aid to support reconstruction and peace building[14]. As the security situation improves, international businesses also begin to move into the new market, and diaspora money is more readily available. However, using aid effectively during the immediate post-conflict period is very difficult. Collier and Hoeffler[15] have shown that during the first post-conflict decade, a sudden burst of aid is followed by a gradual decline. A combination of political and administrative constraints limit absorptive capacity during the initial post-conflict years, with the result that the amount of aid a state can absorb productively reaches its peak around 4-5 years after the end of conflict. Paradoxically, this is exactly the time at which aid begins to decline, as the donors move on to new conflicts and areas of interest.

This is precisely why infrastructure investments are badly needed to sustain the initial growth spurt and also a time when the post-conflict country is most vulnerable to a recurrence of conflict. Collier et al[16] point out that faster growth tends to reduce the risk of further conflict directly and cumulatively by raising the level of income. Thus after the first four or five years, increased investment becomes crucial to reducing the risk of further conflict.

[14] Schwartz, Jordan, Shelley Hahn and Ian Bannon. 2004. "The Private Sector's Role in the Provision of Infrastructure in Post-conflict Countries." *Conflict Prevention & Reconstruction Working Paper* No. 16. Washington, D.C.: World Bank.

[15] Collier, Paul and Hoeffler, Anke. 2002. *Aid, Policy, and Growth inPOst-Conflict Societies. World Bank Development Research Group.* See also Paul Collier, Anke Hoeffler and M. Soderborn. 2002. On the Duration of Civil War. World Bank and Paul Collier. 2000. Policy for Post-Conflist Societies: Reducing the Risk of Renewed Conflict. World Bank.

[16] Collier, Paul, Elliot, V. L., Hegre, Havar, Hoeffler, Anke, Reynol-Querol, Marta and Nicholas Sambanis. 2003. *Breaking the Conflict Trap. Civil War and Development Policy.* Washington: World Bank/Oxford University Press.

The role of poverty in intrastate war is still being debated, but it is clear that disparities in income and allocation of state resources play a role in many civil wars. War is likely not triggered solely by economic disparities, but once a war has begun, poverty can be used as a mitigating factor, increasing the grievance and making it easier for rebels to recruit. Herbst[17] suggests that two political factors, the certainty of revenue allocation and the equitable allocation of resource revenue, have large effects on conflict. "Certainty of (a fairer) revenue allocation does not necessarily end conflict because if actors believe that the distribution of money from resources is inherently unfair, they may still be determined to engage in some sort of conflict. However, knowledge that the rules of the game themselves cannot be changed will shape the nature of political conflict…If actors believe that the immediate monies from export revenues can be reallocated, political conflict will be immediately focused on trying to recapture revenues in the short run."

This argument can be extended to business and investment. If there is a likelihood that investment will be concentrated only in government controlled areas or in areas heavily populated by the opposition, then there is less incentive to stop fighting. However, if investment is evenly spread, or is focused on former rebel areas, then it becomes much more likely that rebels will focus more on rebuilding than on re-engaging in fighting.

However, during the initial period of large aid influx, countries emerging from conflict have a parallel period of inactivity in private infrastructure investment, particularly in large-scale infrastructure investment. This gap tends to be filled by small-scale infrastructure entrepreneurs, such as local electricity and water suppliers. These are often unlicensed, unregulated and untaxed and can provide an impediment to development of large-scale provision.

This type of small vendor is likely to have begun operating during the conflict, however, and may already have strong links to the government of the rebel state and to trust-based networks within the rebel state. These small vendors provide an interim solution to service delivery during the early post-conflict period, when the absorptive capacity of the state is low. They also offer a unique opportunity for larger infrastructure providers to gain access to the rebel state. By partnering with local entrepreneurs, and using local social and political networks, large-scale providers may be able to find a way to improve delivery.

Types of investors
Large, global companies will seize immediate opportunities in post-conflict countries, but this is relatively unusual. In smaller economies, particularly in the first year or two after the conflict ends, larger companies are rarely willing to take high risks for returns that—on the scale of their balance sheets—are likely to be marginal. In practice, the most active foreign investors in the smaller post-conflict states are niche players with a higher tolerance of risk, or regional companies with regional development strategies. For example, the leading mobile phone operators in sub-Saharan Africa are either European niche-companies, or regional companies based in South Africa, the Emirates or Egypt. Standard Bank is a major international bank with a particular specialty in emerging markets. It has been one of the first to open a branch in Afghanistan, and has operated in Sierra Leone since colonial times. However, in other cases—for example Austrian banks in Bosnia, ANZ Bank in Timor Leste and Stanbic in the Democratic

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[17] The Politics of Revenue Sharing in Resource-depedent States, UN University WIDER discussion paper no. 2001/43, 2001.

Republic of Congo—banks set up operations in post-conflict countries because this fits in with their regional strategies.

The exceptions to this reluctance to invest on the part of large global companies are petroleum and mining companies, for whom location is everything. If the geology looks promising, companies are willing to work with relatively high political and security risks, often by buying in private security. Indeed, many of the most attractive geological opportunities are in 'frontier' regions, including conflict-affected areas. In both sectors, smaller companies are also particularly willing to take high political and security risks at the exploration stage, in the hope of making major finds before their competitors. Yet the risks for this industry in the immediate post-war period can also be high, as will see later.

Many large investors chose to become involved by partnering with local entrepreneurs, who shoulder the bulk of the risk. This is the case in Somalia, where international companies such as Sprint, Telenor, Coca-Cola and Alitalia are all engaging in business ventures with local partners. Regulatory and safety provisions may be outsourced and located in nearby countries. For example, the Somali Telecom Association, established to regulate interconnection standards between independent Somali telecom providers, is headquartered in Dubai.

The other crucial groups of post-conflict investors are members of the diaspora. They play a huge role in reconstruction; either through direct investment, or through remittances that can help local entrepreneurs establish small businesses. Examples include Celtel, a Netherlands-based mobile phone company that operates in 13 sub-Saharan African countries, was set up by an entrepreneur who was born in Sudan. Much of the foreign investment in Afghanistan comes from Afghan-Americans. While the diaspora investors may not bring a huge amount of money to the table, they often have strong local ties and are in a unique position to gain fast access to remote areas and rebel states. If policy-makers wish to encourage foreign investment in post-conflict economies they would do well to focus on the diaspora community.

The Politics of Post-Conflict Reconstruction

During conflict, unofficial or 'black' war economies emerge. These parallel war economies are likely to persist both locally and regionally well into the post-conflict period[18]. In Bosnia-Herzegovina, ethnically based, nomenklatura-style political interests continued to dominate both private and notionally state-owned economic institutions long after the end of the war in 1995[19]. In Afghanistan, as Lister and Pain[20] point out, the informal market is far from being 'free' because a small but powerful group of traders continue to benefit from the backing of local strongmen, using their influence to dominate markets and exclude new entrants. In Somalia, a type of organized anarchy has allowed many state functions to resume on a private basis. Bringing these institutions into the structure of a state takes a great deal of time.

The task of state building requires sustained political and economic investment over a period of years. The success or failure of state-building initiatives helps determine the extent to which the host country provides the right 'enabling environment' for business. Among other qualities, this

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[18] See Pugh, Michael and Neil Cooper. 2004. *War Economies in a Regional Context. Challenges of Transformation.* With Jonathan Goodhand. Boulder: Lynne Rienner.

[19] Cox, Marcus. 2001. *State Building and Post-Conflict Reconstruction. Lessons from Bosnia.* Geneva: Centre for Applied Studies in International Negotiations. www.casin.ch/pdf/cox/pdf.

[20] Lister, Sarah and Adam Pain. 2004. *Trading in Power: the Politics of Free Markets in Afghanistan.* Afghan Research and Evaluation Unit.

environment should ideally include basic security, a competent judiciary, a legal system that protects property rights, a balanced taxation system, and a more-or-less predictable policy outlook. These can sometimes be found in a rebel state, even when they are lacking in the 'parent' state.

In the following case studies, we look briefly at three post-conflict societies with strong rebel states and examine the problems and opportunities for foreign investment.

Case Study: White Nile—Who owns southern Sudan's oil?
In February of 2005, soon after the signing of the Comprehensive Peace Agreement with the north, the rebel government of South Sudan signed a joint venture deal with junior oil company White Nile to explore and ultimately pump oil from Block Ba, located in South Sudan.

Nile Petroleum, South Sudan's state-owned oil company, will assume a 50% stake in White Nile by taking 155m shares in the firm. The original investors in White Nile will hold the other 50%. In turn, White Nile will have a 60% stake in Block Ba, with Nile Petroleum holding the remaining 40% and an option to reinvest this 40% stake in White Nile.[21]

The southern government expects its shares to be worth around $300m once trading is reopened, and has pledged to invest the money in rebuilding southern infrastructure devastated by the war, including a EUR 3.5 bn regional train network to connect Juba with Kenya and Uganda.

In the longer term, the estimated 5 bn barrels of oil in Block Ba could translate into a market capitalization of $7 to $8, half of which will go to the southern government. White Nile is also planning a pipeline linking Block Ba to the Indian Ocean north of Mombassa.[22]

A consortium of major oil companies—Total, Marathon and Kuwait Petroleum—had been granted rights to Block Ba from the government in Khartoum, but had abandoned the fields there in 1984 in the wake of increasing violence. In December 2004, Total revived its agreement with Khartoum, but never consulted with the SPLM leadership. Both White Nile and Total are arguing that they have the legal right to exploit Block Ba.

The major issue at stake is exactly who owns the rights to grant concessions to Block Ba. The CPA, which was signed in January 2005, states that all existing oil contracts will be respected. White Nile and the southern government claim that Nile Petroleum was formed in August 2004 and therefore falls under the conditions of the CPA. Total claims that, although it abandoned the site, it never abandoned its claim to Block Ba, and in any case its December agreement with Khartoum should also be respected under the terms of the CPA.

The issue is due to be adjudicated by the Sudanese National Petroleum Commission, which will be formed in accord with the CPA. However, the NPC will be numerically tilted towards the south when discussing contracts to southern blocks. The commission will be made up of equal numbers of permanent representatives from north and south, but concessions located in the south will also have local representatives on the commission, tipping the voting balance to the south. Total has recently claimed that it may sue the government of South Sudan, and its leaders, in international court, over the rights to Block Ba.

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[21] Alexander's Oil and Gas Connectionss, vol. 10. issue 7, April 6, 2005. See also Sudan Tribune March 29, 2005.
[22] Nils Pratley, The Week the City caught White Nile Fever. The Guardian, February 19, 2005.

The southern government is also in negotiations with other oil companies over Block 5b, a non-producing area north of Block B, currently held by Petronas and Lundin Petroleum; and Block C, an unexplored stake promised to a Swiss company that runs from northern Bahr al-Ghazal to southern Darfur.

The case of White Nile clearly illustrates some of the issues involved in investing during or immediately after a civil war. If the South votes to succeed in six years, then all of the existing contracts to southern oil blocks will again be thrown open to negotiation. Regardless of the legal merits of the case, adjudication will probably solve nothing, since the South has physical control of the oil blocks in question.

This echoes the situation Australia found itself in when East Timor gained independence from Indonesia. At that time, there was an existing Joint Development Treaty between Indonesia and Australia for exploiting the maritime oil fields in the Timor Gap. This treaty was subsequently renegotiated with East Timor and Australia in 2002-2003, although the renegotiations are currently in dispute and are being re-renegotiated. These new renegotiations involve the maritime boundary between Australia and East Timor, as well as the agreement over the Joint Petroleum Development Area (JPDA).

It has been argued that East Timor is not bound by treaties made prior to its full statehood, whether by Portugal as the Administering Authority, by Indonesia or by the United Nations peacekeeping authority. Yet international practice on decolonization has been to adopt a "clean slate" approach under which a new state may decide in its national interests whether to be bound by prior treaties[23]. This concept of a "clean slate" does not apply to boundary treaties establishing frontiers or maritime limits, but it does apply to treaties regarding mineral and oil exploration and exploitation. Thus, by extension, if South Sudan votes to become an independent state in six years time, it will no longer be bound by any agreement the northern government has made with Total in any case.

This is similar to the case of Western Sahara, a rebel state run by the Frente Polisario. Following the discovery of oil off the coast of the disputed region, Morocco granted oil exploration licenses in 2002 to US company Kerr McGee (a Fortune 500 company and one of the largest U.S.-based independent oil and natural gas exploration and production companies), French company TotalFinaElf Total, Wessex Exploration, Svitzer (the British subsidiary of the Dutch company Fugro).[24]

In 2005, the government-in-exile of the Western Sahara invited foreign companies to bid on 12 contracts for offshore exploration, with hopes of awarding production-sharing contracts by the end of 2005. Both Premier Oil and Sterling Energy received conditional exploration rights.[25]

Since the sovereignty of the area is in dispute, and under the jurisdiction of the UN, no drilling can take place. However, the existence of the oil has caused the French, British and US governments to place pressure on the Security Council to move for a resolution of the conflict involving autonomy, rather than independence for the Western Sahara.

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[23] JVC Prescott, personal correspondance, International Boundaries Forum.
[24] 21 July 2005 Mixing Occupation and Oil in Western Sahara, CorpWatch by Jacob Mundy. All of these companies except for Kerr-McGee have since pulled out following grass-roots campaigns.
[25] New envoy to tackle Sahara deadlock, Giles Tremlett Wednesday June 16, 2004, The Guardian.

Interestingly, the UN has expressed a legal opinion on the oil concessions given by Morocco in the Western Sahara. This opinion states that, "prospecting is legal, exploiting is not".[26]

Although the legality of the situation in Sudan is unclear, White Nile may indeed be in the stronger position in Sudan, simply because the south control the oil field. The southern government harbors longstanding resentment against Total, whom they accuse of providing logistical assisting the northern government during the war. In March of 2005, Garang stated, "Total can cling to whatever reasons they like. We will cling to the oil, because that is ours." [27]

White Nile invested in southern Sudan after the peace agreement had been signed, but before the new peacetime government structures were fully in place. But in dealing with the leadership of South Sudan, White Nile was dealing with an organization that had been effectively governing a large region for 20 years. For the past 20 years, the SPLM had managed to effectively capture a large proportion of the south's population and had many elements of civil society already in place before the peace agreement was signed. White Nile was therefore able to move quickly in negotiating an agreement. This has come with considerable business risk for White Nile, but it is possible that the directors of the company consider it a calculated risk. Negotiations for ownership are likely to take many years. If the South votes for independence in six years, as most analysts currently believe they will, then Total will no longer have a legal claim to Block Ba.

Even if Total prove their legal title to drill in Block Ba, it is unlikely that they will be allowed to resume drilling there. By aligning itself with the government of north Sudan during the war, Total has completely alienated the southern leadership and people. The southerners equate Total with war crimes and are unlikely to ever allow Total to exercise its rights to the block.[28]

In this case, investing in a rebel state has proven problematic for junior and senior oil companies alike due to the uncertain legal status of disputed territory.

Case Study: Business and State Failure in Somalia
Somalia represents an extreme example of the problems—but also the opportunities—of working in a failed state. The country has not had an effective internationally recognized government since 1991, and there is therefore no state regulation or control. However, despite (or because of) the lack of a national regulatory framework, some sectors, such as livestock exportation and telecommunications, have been remarkably successful.

In fact, under the former government of Somalia, taxation, uneven state regulation and corruption stifled most private investment. Ironically, these sectors have flourished without government mismanagement. This is in part because people have been thrown back onto a system of trust-based networks.

"Although repeated efforts to revive a central government have failed, local communities have responded with a range of strategies to establish the minimal essential elements of governance.

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[26] 01 May 02 La Razón digit@l
[27] Alexander's oil and gas connection newsletter, April 6, 2005.
[28] See US Confressman Frank Wolf, 10th District, January 2001 Trip Report from Sudan and Central Africa: http://www.house.gov/wolf/news/2001/03-13-Sudan_Trip.html and Amnesty International.

What has emerged in Somalia are fluid, localized polities involving authorities as diverse as clan elders, professionals, militia leaders, businesses, traditional Muslim clerics, Islamic fundamentalists and women's associations."[29]

These strategies often break down when cross-border trade is involved because of the difficulty in getting access to capital and credit, and in collecting debts from foreign firms. Despite the lack of a treasury and any monetary controls, the Somali currency market has remained buoyant. In fact, during the past 10 years, the Somali shilling has lost less of its value than during the 1980s.

Traders adjust their exchange rates based on reports from financial markets in the US and Europe (through radio and satellite TV). The limited supply of Somali shillings has helped the currency to keep its value. Informal banks and remittance companies have also grown considerably and some even have branches in Gulf states, making it possible for Somalis abroad to arrange credit. Because these 'unofficial' banks are community based, they are actually easier to use than the former, official banks. For many people in Somalia, access to banking facilities has actually improved since the collapse of the government.

The hawala system, an Islamic, trust-based money transfer system is widely used for international fund transfers in Somalia. Somalia has also adopted the widespread African institution of rotating credit associations to provide savings. These rely on clan links for enforcement. More innovative is a system of traveler's checks for Somali's going to Mecca for the hajj. Since no one would accept checks written on a Somali bank, Somali firms set up accounts in Saudi banks and write checks to pilgrims that can be cashed in any branch. This system is also beginning to be used in places such as Dubai.

Other industries, particularly telecoms, have also benefited from a lack of government interference. In 1991, Somalia had about 17,000 fixed lines, the majority of which were in the capital Mogadishu. Since then, local operators have invested some $68 million, and the country now has approximately 112,000 fixed lines and 50,000 mobile subscribers.[30]

In the early 1990s, Somali exiles returning from Norway installed limited satellite-based telecoms links in partnership with the Norwegian company Telenor.[31] Later, returnees from the Gulf States and the US set up an 'earth station gateway' in association with the US-based Starlight Communications. Another Somali venture, Al-Barakaat, set up a partnership with the US Company AT&T. Al-Barakaat also managed a foreign exchange remittance network and subsequently gained unwanted international notoriety when the US government closed down its US bank accounts following the September 11 terrorist attacks because it suspected that it had links with Al Qaeda.

There are currently eight major operators. Many local companies have teamed up with large, international companies to provide expertise and capital. One of the largest cellular providers is Telsom Mobile, which was established in 2001 as a result of a merger between two telecommunications companies, Somatel and Telcom Somalia. Telsom has recently expanded its

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[29] Menkhaus 1998, Somalia, Political Order in a Stateless Society, Current History 97(619): 220-229.

[30] Bhalla, Nita. 2004. "Somali Telecoms Boom Without Government." Reuters, 22 July 2004. Available on: www.somalilandtimes.net/2003/131/13119.shtml.

[31] Hassan, Harun. 2003. "The Phones Keep Ringing in World's Poorest Country." Panos Features. Available on www.panos.org.uk.

GSM network using technology from the US-based Tecore Wireless systems. Other cellular providers include Nationlink Telecom, which is part of the Somali Telecoms Group, and uses equipment bought from InterWAVE, whose headquarters is in Silicon Valley in the US.[32]

Mobile phones companies use pre-paid charge cards. Fierce competition between rival companies has driven down communications costs, and international calls on mobile phones cost $1 per minute or less, among the cheapest in Africa.[33] Mobile phones therefore play an essential role in maintaining communications between members of the Somali diaspora and their homeland, and in assisting the transfer of funds via the informal hawala network. Somalia's diaspora of some two million people send between $500 million and $1 billion to Somalia in this way every year.[34]

In 1998 UNDP and the International Telecommunications Union (ITU) organized a series of meetings between rival operators, leading to the formation of the Somali Telecom Association (STA). The fact that it is based in Dubai means that it can plausibly claim to be free of regional favoritism. STA serves as an informal regulator, and has been able to broker an agreement between rival operators in Mogadishu, making it possible for the users of different networks to communicate with each other. However, there is as yet no such agreement in the northern Somaliland region, and this means that local users need to subscribe to more than one mobile company to gain anything like full coverage.

The lack of an official government regulator also means that no one collects taxes from the mobile phone companies, despite their comparative prosperity, or their international partners. As Hassan points out, "almost every dollar made by foreign telecoms companies is a dollar that leaves Somalia, despite the country's desperate need for revenue to rebuild its infrastructure." [35]

Their longer-term contribution to reconstruction is therefore clearly limited.
Thus the absence of government bureaucracy might initially have been an advantage, but that a central government is now necessary if it is to expand further.

Electricity entrepreneurs have divided neighborhoods up into small sectors through clan-based negotiations. Entrepreneurs then purchase secondhand generators in Dubai and charge per light bulb for a menu of pricing options (24 hours a day, evening only, etc.). Public water provision has been extended to rural areas using catchments, boreholes or water trucks. Without regulation or testing, most of the water is not safe for human consumption and is very expensive in times of scarcity, when most governments would provide it for free as a public good and a necessity of life.

In 1989 the Somali national carrier owned one airplane and operated just one international route. Today, there are 15 private airlines, more than 60 aircraft, 6 international destinations and numerous domestic routes. The lack of infrastructure and technicians has meant that the airlines

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[32] John Bray. 2005. International Companies and Post-Conflict Reconstruction Cross-Sectoral Comparisons, International Alert Social Development Paper no. 22.

[33] O'Reilly, Finbarr. 2003. "Private Competition Drives Down Telephone and Internet Costs in Somalia: But Chaotic Situation Highlights Need for Self Regulation. *Choices. The Human Development Magazine*. New York: UNDP. Available on: http://www.undp.org/dpa/choices/2003/december/somalia.html.

[34] Nenova, Tatiana and Harford, Tim. 2005. Anarchy and Invention. World Bank.

[35] ibid

outsource their safety. They lease planes from foreign carriers (including Eastern Europe and England), use crews from Eastern Europe and operate out of Djibouti, Nairobi and Dubai, using the facilities and technicians there to conduct safety checks and repairs.

Entrepreneurs have also begun teaming up with foreign firms to provide luxuries. A Coca-Cola bottling plant opened in Mogadishu in 2005. It is entirely run by Somalis, but receives credit, capital and supplies from Coke.

In general, Somali entrepreneurs have used three methods to compensate for lack of effective government regulation. First importing governance by relying on foreign institutions, for example, for airline safety, credit provision and company law. Second, using clans and other local networks of trust to help with contract enforcement, payment and transmission of funds. Third, simplifying transactions until they can be carried out without help from clans or international economy, for example, livestock export.[36]

Given the state of Somalia's previous government, these methods have actually improved the business climate in some cases. However, the lack of regulation is ultimately a major limiting factor to foreign investment, especially in the mineral, mining and petroleum extraction sectors and in building infrastructure.[37]

Case study: The Difficulty of investing in Somaliland
Following years of civil war, and the downfall of Somali dictator Said Barre in 1991, the region of Somaliland unilaterally declared independence from Somalia. A May 2001 referendum on independence passed overwhelmingly in an electoral process judged largely free and fair by outside observers. A constitution, tax system and the development of civil and criminal law statutes followed. Following the death of president Mohamed Ibrahim Egal, new elections were held in 2003, and Dahir Riyale Kahin from the ruling Unity of Democrats (UDUB) party, won Somaliland's first multi-party presidential elections in April 2003 with a slim majority, and on September 2005 the people of Somaliland cast their votes to elect 82 members of Somaliland parliament.

However, regardless of Somaliland's progress on the road to democracy and rule of law, the rebel state remains unrecognized under international law. While the government of Somaliland controls and administers its territory, the Somalia Transitional Federal Government is the entity recognized by the international community has the official federal government of Somaliland, despite the fact that the TFG controls almost no territory at all.

This situation has made it very difficult for the north to encourage investment. On August 30, 2005 TFG Prime Minister Ali Mohamed Ghedi told reporters in Nairobi that foreign firms wishing to do business in the north or south should now deal exclusively with the TFG. The TFG also claims they will shortly begin to offer oil, gas and mineral concessions, including to areas in the north, and sternly warned foreign firms against dealing with the wrong people. At the same

[36] See also Nenova, Tatiana and Tim Harford. 2004. "Anarchy and Invention. How does Somalia's Private Sector Cope Without Government?" *Public Policy Journal. Note No. 280*. Washington, D.C.: World Bank. Available on: http://rru.worldbank.org/Documents/280-nenova-harford.pdf.
[37] Of course, the lack of government servces also has a terrible effect on the provision of health care, education, clean water, housing and services for the poor, but that is not within the scope of this paper.

time, small oil companies, such as Seminole Copenhagen Group[38] have been conducting exploratory drilling in the north for several years, under the auspices of the Somaliland government. Yet it is unclear who has the right to award oil concessions to these areas and this has held back interest from major oil companies.[39]

More recently, a very large seam of emeralds appears to have been discovered within Somaliland. But again, unless the legal situation is cleared up, there can be no large-scale foreign investment in extraction.

Similarly, when Saudi Arabia announced a ban on livestock from Somaliland, the government there had no recourse to international tribunals or organizations and many small producers lost their livelihoods. Most livestock is now traded on a small scale, and through the informal sector, reducing government tax revenue. The rich fishing grounds of the Gulf of Aden also hold great promise, but are plagued by pirates. Without recognition, international cooperation and assistance to tackle the problem of piracy is not forthcoming.

However, lack of international recognition has not hindered small investors, particularly in the telecoms and aviation sectors. Somaliland boasts five private airlines serving Somalia, Ethiopia and the Gulf and five private telecoms companies. The latter offer mobile and Internet services and instant dial-up access to anywhere in the world for a flat rate of $1 a minute - the cheapest in the region.[40]

For many small-scale entrepreneurs this is the time to get in, before the opportunities are all taken up by large international conglomerates. But small companies generally bring less investment and capital to a project, and produce less tax revenue.

The only large foreign company to have shown an interest is France's Total. Total spent $3.5m refurbishing the territory's oil storage facility at Berbera in exchange for a monopoly on oil supply and distribution. But Total officials complain they have to put up with the obstacles of non-recognition: they find it impossible to obtain insurance for their personnel and equipment and shipments into Berbera are covered by the high war insurance rates applicable to the rest of Somalia.

Central bank governor Abdulrahman Dualeh Mohamoud has complained that lack of international recognition also stifles the development of commercial banking in Somaliland, which has had its own currency - the shilling - since 1994. Most transfers of money are presently carried out by private foreign exchange dealers and by using the hawala system. Traders find it impossible to obtain letters of credit and the central bank cannot have direct relations with the World Bank and the International Monetary Fund. The up side is that, as no one will lend it

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[38] An offshoot of Seminole Oil & Energy Ltd which is managed jointly by Faisal Kasim and Alexander Sefre with Jermaine Jackson, brother of Michael Jackson, as its head of public relations

[39] At the time of writing an international junior had just signed a major exploration contract with the government of Somaliland. One of the company's goals in the coming years is to lobby the US and certain Arab states for recognition of Somaliland. In August, following the signing of an exploration deal between Puntland and an oil major Somali Prime Minister, Mr. Ali Mohamed Gedi responded by warning companies against doing business with anyone but the TNG. However, under the federal constitution, the federal government is barred from interfering with regional administrations for five years. Again, it is unclear exactly who has the legal right to sign contracts.

[40] Interestingly, one of the first foreign businesses to open in Rumbek, the captial of South Sudan, after the signing of the CPA was a mobil phone operator and internet café.

money, Somaliland is unable to get into debt. The budget of the federal government is always balanced and there are no trade deficits. "I run a tight money policy," says Mr. Mohamoud. "If ministers send me vouchers for payment and the revenue isn't there to support them, I just send them back."

There are projects funded by foreign NGOs, but these tend to be limited in scope and do not focus on infrastructure. The European Union (EU) has approved an extensive project to support rehabilitation of the core road network in Somaliland, with a "total budget" of euro 4.5 million. According to a release from the Commission, this will be coordinated by the Somaliland Roads Authorities. The project concentrates on road connection to Berbera, Somaliland's largest and most important commercial harbor.

In a bid to attract investment, Somaliland has enacted a liberal investment law. Foreign companies are allowed to buy majority stakes in local enterprises and export their profits.[41] Again, this underlines the benefits to companies willing to do business here. But unless Somaliland can gain an official international status, the risks and expense for large businesses will likely always be too high.

Conclusion

Rebel states provide unique opportunities for investment and state building in a post-conflict environment. During conflict, rebel states may develop systems of governance and business that are conducive to post-conflict investment. At the same time, investment in these regions may help to stabilize the post-conflict political and economic environment and prevent future outbreaks of war. However, there are significant obstacles to businesses wanting to invest in these regions. One of these is that, even if conflict is officially over, the rebel state may exist in a legal limbo for some time. Companies rushing to invest, particularly in extraction industries and infrastructure, may find themselves in a legal limbo. They may have signed agreements with people who it later turns out did not have authority to sign the agreements, or they may find it difficult to arrange insurance and credit for work in countries that do not officially exist.

If the status of the rebel state changes, for example, following a peace agreement, then companies may find their contracts null and void. They may also find their investments drawn in to the personal patronage networks of rebel leaders or warlords and exploited for the good of a few at the expense of many.

Certain sectors are better equipped to invest quickly in rebel states, particularly telecoms and construction. However, there seems to be a good case to make that it may be easier than thought for the banking, aviation and import-export sectors to invest quickly in rebel states, by partnering with local entrepreneurs working in a trust-based system. This is especially true for Islamic banks using a halawa system.

Rebel states may also be less corrupt and more transparent than the parent state. This is not necessarily so, but today, many rebel groups gain financial and emotional support from the west by claiming to be more democratic and open that the parent state they are fighting. In addition, the involvement of foreign NGOs, along with media scrutiny, may lead to greater transparency and less corruption in the way these groups govern areas they control. Thus, in the immediate

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[41] Harvey Morris, Financial Times August 14, 2000.

post-conflict period, former rebel states or regions controlled by former rebel governments may provide a more open and less corrupt investment environment for some businesses.

Immediately after the end of a conflict, official priorities tend to focus on physical reconstruction and political reconciliation. 'Political reconciliation' in practice often looks like a sharing of the spoils between rival parties, rather than a concerted plan to create the conditions for sustainable development. For example, it remains to be seen whether Sudan will be a positive or a negative example in this respect following the signing of the CPA. One of the key tests of the post-war period will be the two sides' management of the country's oil revenues, and the extent to which they use them to foster broad-based development rather than building up their personal patronage networks.

Somaliland, while presenting a good security risk, is hampered by the uncertainty over the country's legal status, raising the political risk of doing business there. For its part, Somalia has developed some unique methods for doing business that work well and could possibly be expanded to bring benefits to more people on a local level, but the security and political risks remain too high to interest most outside investors.

International companies working in partnership with local leaders and organizations may be able to play a role in establishing a consensus on what is needed to fulfill the host country's economic potential. One example from the 1990s was the Mont Fleur scenario process in South Africa[42]. In 1991 South African academic Peter Le Roux assembled a multi-disciplinary team of 22 political leaders, academics, trade unionists and business people to draw up four scenarios for South Africa over the next ten years. The team came up with four agreed scenarios: these showed that political negotiation was essential, and that a weak coalition government would not work. Populist economic policies implemented by a new elected government also would be counter-productive. However, a scenario of inclusive democracy and economic growth—symbolically entitled 'Flight of the Flamingos'—was achievable.

This approach demonstrated that a shared understanding between different political groupings about what was possible and what was not was needed to achieve the most positive outcomes. Ceasefires do not in themselves bring about this kind of shared understanding on economic issues. These only come about by including all actors in negotiations and investment. This model could be applied to dealing with rebel states—an inclusive approach that see the rebel state not in opposition to the parent government but as a partner to it.

The majority of the initial post-conflict investments are likely to come from regional, diaspora and niche companies. These entrepreneurs often have extensive local knowledge and contacts and can be very flexible in their approach, enabling them to come up with creative solutions to local problems. Yet these may often lack access to capital, finance and credit that hampers their ability to do business. If policy-makers wish to encourage earlier foreign investment in post-conflict economies, they need to take special consideration of the needs of smaller companies rather than pinning their hopes exclusively on the larger, better known international firms.

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[42] Le Roux, Peter et al. 1992. "The Mont Fleur Scenarios. What will South Africa be Like in the Year 2002?" *Deeper News* 7, No. 1. Available on www.gbn.org.

Policy makers also need to take a closer look at rebel states, and former rebel states, and begin to evaluate the suitability of these regions for investment on alternative criteria. These areas may in reality present lower security and political risks than traditional avenues of investment.

However, this won't help companies operating in uncertain legal environments, such as Somalia and Somaliland, and these are exactly the type of places in which investment could have a very positive impact in preventing further conflict.

Despite the contradictions and risks, rebel states can offer a unique investment opportunity for international companies, but only if investors are committed to working with local government and businesses.

Good Governance and the Rule of Law in Somalia:
The Means – End Debate
Abdi Samatar

Introduction

The rule of law institutions (the judiciary, police and custodial services) are part and parcel of a country's public establishment. How well they fulfill their duties is conditioned by the broader political, moral and professional edicts which govern the country's public affairs. Various regimes in the Horn intent on advancing a sectarian political agenda have exploited the power of such institutions. Reversing such abuse is essential if the region has to be transformed from a dungeon in the continent to a democratic area where governments respect citizens' rights. Fortunately, some countries in the region had periods where democracy and the rule of law reigned supreme. This history must be retrieved since it can provide crucial lessons for the way forward. Somalia, which has been stateless for nearly seventeen years and that epitomizes the rule of men rather than law, pioneered democracy and rule of law in the Horn of Africa. This essay has two purposes. First, it briefly sketches Somalia's post colonial political history to demonstrate why the country's early democratic tradition failed and the lessons that experience has for the future. Second, it argues that much of current expatriate advice on Somalia is inappropriate.[43] This consul, rooted in discredited ideas about culture and politics, will exacerbate conflict and undermine the development of the rule of law institutions and their integrity.

Somali Regimes and the Rule of Law
Somalia's postcolonial political history can be divided into five periods on the basis of democratic practice and respect for the rule of law. These are:
The first Republic -1960-64;
The second Republic – 1964-67;
The third Republic – 1967-69;
Military Rule Phase I -1969-75, Phase II 1976-91;
Civil War and regional fragmentation (1988-present)

Each era is identified with a particular code of conduct which has either nurtured the rule of law and the independence of institutions, such as the judiciary, police, and custodial services or undermined their integrity. Evidence from the various regimes indicates that political instability and civil war were induced by politically motivated use of the rule of law institutions, such as the police and courts. The lessons, for Somali reconstruction, embedded in the country's own political history are that establishing an independent rule of law institutions are central to regaining citizens' trust in public operations. The following section provides an outline of the governance order of various post-independence regimes and highlights the effect they had on the working of the rule of law institutions.

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[43] For an analysis of inappropriate expatriate consul, see Judith Tendler, *Good Government in the Tropics* (Baltimore: Johns Hopkins University Press, 1997).

The First Republic (1960-4)

The euphoria engendered by independence and the unification of the former British and Italian Somalilands generated a national cohesion that masked differences between elite groups with competing agendas.[44] In addition, the patriotic fervor induced by the 1964 war with Ethiopia and the democratic manner in which the government conducted the republic's first post-colonial election prolonged this spirit's life span:[45] The regime's leadership enjoyed a high degree of legitimacy with the public, but it showed limited sign of understanding the specific objectives of the nationalist project beyond the desire to develop, and it also failed to articulate a clear road map for achieving its development agenda. It undertook UN-supported evaluation of civil service. The government did not act on the recommendations of the study due the national elections which were approaching. It continued with its strategy of stream-lining the British and Italian colonial administrations into a single apparatus. Despite the limitations of its agenda, this regime remained loyal to constitutional separation of powers and the judiciary and the police enjoyed professional autonomy.

Four events illustrate the autonomy of the electoral system, the judiciary, and the police had from the executive branch. First, the government did not use its authority to gerrymander the results of the constitutional plebiscite of 1961 in which a significant proportion of the northern population voted against it. Second, President Aden, the provincial president for the first year after independence, won re-election by one vote in 1961. This demonstrated the existence of a competitive electoral system. Third, the acquittal of the 1961 foiled coup leaders demonstrated the independence of the judiciary. Here, the presiding judge dismissed the government's case on technical grounds and the government, with the blessing of the president, dropped its appeal to the highest court. Finally, the regime tolerated political dissent even within the cabinet where several ministers openly campaigned against the constitution plebiscite.

The second republic (1964–7)

In postcolonial Somali history, this regime is unique on two counts. First, the 1964 national parliamentary elections exposed the emerging ascendancy and strength of sectarian forces and the opportunistic tendencies of many members of the elite. As individual elite members tried to gain parliamentary seats in order to loot the public purse, the number of political parties grew from 5 to 24; only four of them succeeded in winning seats. Despite, the proliferation of political parties, this election was free and fair by any standards. Second, after the elections, the nationalist forces made their last systematic effort to contain the sectarian tide from engulfing public life. The nationalist leadership attempted to insulate the civil service from undisciplined politicians' particularistic intervention and protect the autonomy of the rule of law institutions. President Aden Abdulle Osman and Premier Abdirazak Haji Hussein strove to do more than integrate the two former colonies. The Hussein government understood that to make public institutions effective and to root out corruption and the abuse of public power, it needed to bureaucratize its institutions.

Two of the Premier's initiatives signaled his institution-building strategy. First, he appointed his ministers on the basis of their professional skills and, as a result, a significant number of key

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[44] This division was clear even in the first Somali governments formed under Italian and British colonial masters in the late 1950s.

[45] There were five active political parties at the time of the Union (three from the North and two from the South). The Somali Youth League and its allies from the North dominated the unified national parliament in 1960. Major differences emerged between the President and his Prime Minister with regard to the government's public management strategy. Following the 1964 elections, the President appointed a like-minded Prime Minister.

portfolios went to northerners. Many southern MPs were unhappy with the ministerial line up and accused the Prime Minister (who was, himself, from the South) of favoring former British Protectorate parliamentarians and senior civil servants. One northerner, Mohamoud Issa Jama, who was nominated as minister of agriculture, gave up his post so that southerners could be accommodated. The second and most important decision was to reform the civil service and establish a professional and autonomous Civil Service Commission (CSC inherited from the former British Protectorate and mandated by the constitution). A commission was established, with technical assistance from United Nations experts, whose mandate was to professionalize the service. It re-evaluated all major posts in the civil service and the qualifications of their occupants. Through this process, it discovered that many senior officials were unqualified and ill equipped to lead their departments and, consequently, recommended relieving them of their responsibilities for two years, giving them an opportunity to improve their competence. The Prime Minister heeded this advice and dismissed nearly 200 senior officials over the next year for incompetence and corruption.[46] All those discharged were from the republic's southern region except for two northerners. Among those terminated were two family members of the PM. Some of the leading elements of the southern elite were among the sacked.

The civil service enjoyed four years of unprecedented independence and merit became the only criteria for employment and promotion under the tutelage of the Civil Service Commission. In one of many instances, The CSC ruled against government when it attempted to fire or demote employees. The police enjoyed similar privileges as its anti-corruption wing produced evidence which the Prime minister used to dismiss ministers. Parliament failed to lift the accused ministers' immunity against prosecution and consequently frustrated the Prime Minister's intentions. Despite his misgivings about parliamentary leaders' decision in this regard, the PM respected the former's constitutional prerogatives.
The Third Republic (1967-9)

The attempt at institutional reform was short-lived as, after the 1967 presidential election, an administration less concerned with curbing corruption and insulating public service came to power.[47] President Osman appeared to have lost the election for three reasons. First, he refused to bribe certain members of parliament to vote for him; second, Premier Hussein's anti-corruption drive and his termination of a significant number of southern elite members from the civil service alienated a powerful political constituency; third, former Prime Minister (presidential candidate) Abdirashid Ali Sharmarke and his allies promised seductive rewards for parliamentarians who voted for him. Sharmarke's promises worked their magic and he captured the presidency by a slim margin.

President Sharmarke and his Premier, Mohamed Ibrahim Egal, understood the volatility of the electoral process. They immediately started planning for the 1969 parliamentary election. The elite, especially those in parliament, failed to be united by anything except their willingness to trade off any public resource for private gain.[48] The leaders of the government, having fuelled this tendency during the presidential election, knew that the only way to remain in power was to appeal to each MP's material interests, tantalizing them with rewards and promises of lucrative appointments. Given these priorities, the regime abandoned the civil service reform initiated by its predecessor - favoritism became the avenue to appointment and promotion. Among the first

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[46] Several hundred junior employees appointed on the basis of clientalism were also dismissed.
[47] H. Abib. Interview (1996).
[48] Ali Said Arraleh, Interview, Nairobi, 2001. Arraleh served as Director General of several Ministers in the 1960 and 1970s. See also I.M. Lewis, 'The Politics of the 1972 Somali Coup,' *Journal of Modern African Studies* 10, 3 (1972): 383-408.

ambassadorial appointments made was the President's son-in-law who was posted in Washington.[49] Corruption and the politics of divide and rule, rather than fostering an inclusive collective project, became the name of the game.[50]

Parliamentary elections in 1969 proved that the elite's sectarian faction had gained the upper hand. The struggle for individual political survival divided and united this cohort and led to formation of 62 political parties as ambitious individuals who were not selected by the main parties formed their own. These so called opposition parties won 50 of the 123 seats despite governments attempts to gerrymander the election. As soon as the election was over, however, the opposition MPs abandoned their parties and joined the ruling party. The shift of political 'loyalty' was induced by the clear recognition that MPs could access public largesse only if they were associated with government. Moreover, political bosses in power enticed these MPs to join the ruling party. The only opposition member of parliament was former Prime Minister Hussein. The brief tenure of the regime after the elections marked an open season for corruption.

Three key public organs suffered the most under this regime. First, the CSC lost its independence as the regime began to appoint and promote public employees without regard to established rules. Second, it replaced the chief justice of the Supreme Court with a judge, from outside the court who was already tainted by corruption –bypassing the Somali Vice President of the court.[51] The new head of the Supreme Court dismissed all petitions which accused the government of rigging the 1969 election. Third, the government forced out the commanding general of the national police force for refusing to support the governing party in the 1969 election.[52] Specifically, he was asked to transfer several regional commanders in the north into other areas as regime leaders faulted these officers for not favoring government candidates in their localities. General Abshir's departure marked the beginning of the end of the police's independence. The erosion of the autonomy of the rule of law institutions escalated after the election and the country's institutions never fully recovered.

The Military Junta (1969-91)

Once the election was corruption become the order of the day and most government institution lost their integrity as political leaders began to manipulate them for sectarian end. Somali armed forces sensed public discontent with these developments and took control of the government before the sectarian stampede could run its course. Huge crowds poured into the streets to rejoice over the termination of corrupt politics. The new regime enjoyed a high degree of legitimacy during the first years of its tenure; the swift and effective management of the 1973–4 drought, the introduction of Latin scripts for the Somali language and the expansion of education and other services increased the regime's popularity. With Soviet prodding, the regime adopted socialism as its development strategy; but the government showed no sign of comprehending what socialism meant in the Somali context as it blindly adopted Soviet tested, but unproductive methods of economic management.[53] Consequently, it initially retained the rudderless public service policy of the last civilian regime.

The Somali army's defeat in the Ethiopian-Somali war, 1977–8, brought the regime's honeymoon period to an end. It discarded citizens' rights and any pretence of supporting

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[49] National Archives (Washington D.C) File #

[50] Abib (1996).

[51] Mr. Abdirahman Sh. Ali, the new Chief Justice, was nicknamed Buur liqeh for illegally refusing to accept a popular opposition MP's candidacy application in Buur Xakaba.

[52] Jama Mohamed Qalib, Interview. Nairobi, June 2004.

[53] A. I. Samatar. 'Structural Adjustment as Development Strategy: Bananas, Boom, and Poverty in Somalia,' *Economic Geography* 69, 1 (1993): 25-43.

inclusive national project as the public and significant elements of the military challenged the regime's right to govern. As paranoia engulfed the leadership, it began a massive campaign to put loyal supporters in all key government positions without regard to merit or due process. The majority of these new and quickly promoted public employees did not have the skills or experience to manage public affairs, further damaging the competence of the state apparatus. Having lost legitimacy, the regime used the military and its newly formed national security agency to punish entire regions and communities it deemed to be disloyal. The first region to be assaulted was the northeast. A most sectarian and brutal use of the military machine also occurred in 1988 when Hargeisa and Burao, two of the country's largest cities, were destroyed. These cities were targeted for special treatment after the guerilla fighters of an opposition Somali national Movement (SNM) supported by Ethiopia, impetuously entered them. The local populations were devastated, and the survivors fled to Ethiopian refugee camps.

Although the military regime started its era with the promise of corruption-free government, its twenty one years tenure produced the most fraudulent and cruel system in Somali history. Every organ of the state was maligned, including the police and justice system. When the regime fled from the capital in early 1991, there was no organized civic movement to take control and restore the rule of law. The rule of the gun became the rule of law and whatever was left of the public resources was looted. Rebuilding public order in a lawless environment has eluded Somalis, including the most stable regions in the northwest and northeast, and the international community that has come to their aid.

The Civil War and Regional Fiefdoms (1988-)

Somalia bled for another three years, after the debacle of Hargeisa and Buro, before the regime was finally ousted from its final stronghold in the capital. By then, unfortunately, all national institutions were ruined. Moreover, the separate opposition movements, which collectively destroyed the old regime, were also sectarian and had no national reconstruction program. They fought each other for control and, in the process, ruined what little the old regime had left behind. Warlord instigated terror and the prolonged civil war reversed integrative national processes. Faction leaders and warlords fragmented the country into 'clan' fiefdoms, including the northwest - Somaliland. Corruption has permeated all aspects of public life and consequently, the vision and voice of those who could imagine inclusive political order rooted in justice and professionalism have been sidelined. Clanism, as a form of exclusive identity, has replaced civic unity and common cause. The normalization of corruption and the dominance of divisive clanist ideology has frustrated all efforts to establish a functioning political system that can re-built public institutions which serve all Somalis.

This historical overview of the country's developments is vital in order to learn from past and avoid repeating the same mistakes. The misuse of state institutions responsible for safety and security as well as justice, followed by the total collapse of a central state authority in Somalia has created a wicked challenge: how to re-build legitimate, accountable, and effective state institutions in the present political context dominated by clanism and other forms of identity-based politics. Discussions of political reconstruction in Somalia for the past 15 years have been dominated by a framework anchored on exclusive identity. An alternative proposal centered on common citizenship has been marginalized.

Peace and State Making via Clanism: A Cul-de-Sac

The question baffling those concerned with peace, reconciliation and national reconstruction in Somalia is what strategy will be most effective to re-establish legitimate and democratic political order? One method which comes in several guises has dominated the political landscape since

1991.[54] Its core idiom is the clan and comes in three guises: traditional, bottom up, or building block approaches. All three discourses assume the clan (confounding clanistic politics with genealogy) as the basic social unit and that by denying its centrality, Somali governments instigated the calamity. Three peace and reconciliation actors are identified with this approach. Life and Peace, a Swedish ecumenical organization, uses a "traditional" bottom up approach to define the problem.[55] A diffuse group of international actors ('International Partners in the Somali Peace Process') has endorsed the 'traditional' clan approach.[56] The building block approach is mainly associated with the War-torn Societies Project (WSP).[57]

Life and Peace has gone the furthest in explicating the clanist approach to peace-making and reconstruction. Here is how it defines the Somali world and problem:
Colonisation brought the modern, centralised state to the Somali society. This form of social organisation is in *total contradiction* to the traditional, radically egalitarian structure of the Somali ... In contrast to most sedentary societies ... Somali society is characterised by an almost absolute absence of formally institutionalised authority. Beyond the boundary of the family, intra-societal relationships are fluid, highly flexible and situational. *The Somali social system is best envisaged as a network of highly autonomous families tied into alliances (clans, sub-clans, sub-sub-clans ...) on many levels.* ...Competition for scarce resources is a characteristic trait of Somali society which always had to survive in an extremely hostile environment. Fighting for control over resources is nothing new ... *What is new today is that traditional structures and mechanisms for conflict management, that had ensured the coexistence of the Somali families and clans for so long, have almost been entirely destroye*d. ...Urbanisation, since the 1960s, has created a large number of people with little or no loyalty to traditional values and authority. As the national economy had virtually disappeared under the Siad Barre dictatorship, young people took to banditry to secure their survival (emphasis added).[58]

This brief quote identifies five causes of the Somali calamity:

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[54] The work of I. M. Lewis, the British social anthropologist, has dominated mainstream Somali Studies and has single-handedly influenced policy oriented literature, including that on the delivery of humanitarian aid. The simplicity of his approach and its appearance to reflect social and political reality has made it attractive to humanitarian and other aid actors pressed for time. For example, a Swedish NGO, which wanted to build a clinic in the town of Galkayo, came to a town divided into two parts, each dominated by sectarian clan leaders and militias. The proposed clinic was to serve the entire community, but those who controlled the town disagreed. The NGO was told that one clinic for the entire town was an impossibility, it succumbed to pressure and built a clinic in each section, thus unwittingly reinforcing segregation. This set a precedent and subsequently aid has been divided to accommodate the sectarian agenda. Similar effects have been observed in the provision of employment and social services in other regions of the country. It is certain that the NGO' did not intend to support segregation, but their desire to do something for vulnerable people and the lack of time to examine the social and political consequences of their activities has had unintended negative effects. Other examples include work by NGOs engaged in the peace process, as in the case of Life and Peace (see below).
[55] We have chosen to use Life and Peace to illustrate the point, but it must be noted that this NGO is not alone in accepting the dominant paradigm. Life and Peace has consciously tried to understand Somali society by inviting I.M. Lewis to a conference, in the early 1990s. It laid the framework for the organization's work in Somalia. Life and Peace made no effort to see if other ways of analyzing the conflict existed.
[56] One measure of the pervasiveness of the clanist strategy is the conspicuous presence of a map of Somalia, which demarcates clan territorial boundaries and is found on the walls of almost every international agency that this evaluation visited in Nairobi. When responsible people were questioned about the value and the accuracy of the map, none seemed to have thought about its social and political implications.
[57] An exception is the Centre for Research and Development that does not subscribe to the building block concept, although it shares the clanist explanation of the Somali crisis. CRD, 2004. Somalia: Path to Recovery Building a Sustainable Peace (Mogadishu, 2004: 11).
[58] Wolfgang Heinrich, *Building the Peace: Experiences of Collaborative Peace building in Somalia 1993-1996* (Uppsala: Life and Peace, 1997: page xiii-xiv).

Modern centralized state that contradicts traditional system.
Dictatorship.
Urbanisation that unhinged youth from traditional authority.
Destruction of traditional means of resource and conflict management.
Destruction of traditional authority.

Life and Peace explicitly or implicitly proposes four correlated solutions to the problem:
Restoring modern centralized government will exacerbate conflict.
Undo urbanization and return youth to traditional setting.
Restore traditional clan authority.
Pursue peace and reconciliation at clan (grassroots) level.

In a nutshell, Life and Peace has focused its efforts on clans and sub-clans in order to *re-invent*
the traditional system and induce peace and reconciliation;[59] a strategy which it believes will
naturally lead to the formation of a national government. Its agents are reluctant to specify what
form that government will take and how its clan/sub-clan moorings will affect its functions and
its capacity to serve the entire community. The absence of an explicit articulation of the form of
national government is accompanied by hostility to other actors who engage in national peace,
reconciliation and state building.[60] Given such lacunae, it would seem that Life and Peace
imagines a collection of reconciled clans forming a regional administration. Its *uncritical* support
for the process which led to the formation of the Somaliland administration in northern Somalia
confirms this assessment. Such clanist regional administrations would form some type of a weak
national government that would empower the traditional order.[61] The design of the process, as
Life and Peace perceives it, is identical to that pursued by WSP – the so-called 'building block'
approach. International Partners, unlike Life and Peace and WSP, do not suggest how
reconciliation should occur. Instead, they have simply endorsed the clan-based strategy in the
Somali National Peace Process in Kenya.[62]

Whatever forms the clanist strategy takes, the most important question is: what are its medium
and long-term consequences for national reconstruction, and the restoration of the rule of law? If
the experiences of the regional administrations in Somaliland, Puntland, and even the
Transitional National Governments (TNG/TFG) represent Somalia's future clanist pathways,
then prospects for national civic reconstruction are grim. The most advanced regional
administration is northern Somalia, where, both the representatives in the regional legislature, the
cabinet and civil services posts are along clan lines. Allocation of public service posts on the
basis of exclusive identity has had several effects. The allotment of seats in the legislature has
induced a process in which every clan/sub-clan demands a seat. As a consequence, there has

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[59] Recently Life and Peace organized a meeting (scheduled for September 20, 2004, in an area far north of the Swedish
capital) for members of the Somali community in Sweden. Although the Somali community has an umbrella
organization based in Stockholm, Life and Peace decided to invite individuals on a clan basis. There has been no
explanation of why Life and Peace ignored the Somali organization, which acts as a liaison between the government of
Sweden and the community. It seems that Life and Peace's view of Somalis is rooted in sectarian clan politics (Interviews
with members of the Somali community, Lund, Sweden, July 30, 2004). For more on vast literature on re-inventing
tradition see, XXXXX
[60] Johan Svensson, Interview, July 2, 2004:Nairobi)
[61] Life & Peace's project is identical to the strategy advocated by Lewis in 1995. Consultants from London School
of Economics and Political Science, *A Study of Decentralized political Structures for Somalia: Amenu of Options*
(London: Unpublished Report Commissioned by the EU, EC Somalia Unit, and UNDP Office for Somalia, 1995).
[62] The International Community had a significant hand in the process which led to the selection of the delegates
invited to the 2002 Somali National Peace Process in Kenya. The international actors who helped select the
delegates used clan identity as the most important criterion.

been a proliferation of sub-clans leading to fantastic exaggeration of parliamentary seats. Each sub-clan's insistence on cabinet representation has produced a roster of ministers and their deputies exceeding 45 (a cabinet several times larger than that of the USA). Ministries have become clan ghettos such that the general public is ill-served. Public accountability has been the greatest loser and corruption has become a way of life. The situations in Puntland and the TFG are even worse than those of the north.

In spite of these grave defects, the proponents (Somalis and expatriates) of this approach have yet to explore avenues and mechanisms for dealing with its dysfunctionality. There is a growing public appreciation that the clan based strategy *might have been expedient* in the immediate term for restoring peace, in the absence of virtuous public institutions, but that it is the wrong recipe for rebuilding democratic and accountable regional and national institutions. The most obvious manifestation of this undercurrent is the proliferation of broad-based civic initiatives that traverse sectarian lines.[63]

Rebuilding Civic culture

A converse strategy begins by drawing distinctions between two types of ethnic identities. First, there exists a non-state centric tradition based on shared values that are not legally defined. An alternative to such identity is one sanctioned by the state and which is therefore enforceable. Recognizing these two identity forms creates the opportunity to overcome the dilemma posed by the dominant thesis that confuses culture and politics. Thus, to acknowledge the ethnicity as a cultural element does not necessarily mean an automatic endorsement of political ethnicity.[64] Cultural identity existed prior to colonialism but has been transformed into a political project in order to facilitate the colonial agenda of "divide and rule." To grasp the origins and nature of cultural identity's metamorphosis one needs to re-examine colonial state formation in Africa.

…colonial powers were the first fundamentalists of the modern period. They were the first to advance and put into practice two propositions: one, that every colonized group has an original and pure tradition, whether religious or ethnic; and two, that every colonized group must be made to return to that original condition, and that return must be enforced by law. Put together, these two propositions constitute the basic platform of every religious or ethnic fundamentalism in the postcolonial world.[65]

The Somali nationalist movement strove to undo the politicization of genealogy which the colonial regimes induced. By contrast, Life and Peace and likeminded organizations who are unable to distinguish between the two traditions mistakenly advocate political ethnicity as a return to the original order.

De-politicizing tradition begins with a broader definition which recognizes the old Somali communitarianism. The key elements of this order were kinship, Islam and *Xeer* (social contract). Kinship is more encompassing than male genealogy (clan) and was the social antidote to the potentially divisive genealogy-based patriarchy. Kinship is thus defined as *Tol* and *Xidid* ;[66] *Tol* identifies those related via paternal ties, while *Xidid* (meaning root) signifies maternal

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[63] The experience of Botswana in building civic and effective institutions is worthy of Somali attention. See Samatar, 'Leadership and Ethnicity in the making of African State Models: Botswana versus Somalia,' *Third World Quarterly* 18, 4 (1997):687-707.

[64] Mamdani, M. Race and Ethnicity as Political Identity in the African Context. In Nadia Tazi (ed.) *Keywords: Identity* (New York: Other Press. 2004), 1-24

[65] Ibid. p. 6.

[66] Ahmed Samatar (ed). *The Somali Challenge: From Catastrophe to Renewal* (Boulder: Lynne Rienner, 1994).

family links. The blend of *Tol* and *Xidid* underscored the complex web of blood relations, but blood ties were not the only bonds that held the community together. A common mode of survival (pastoralism and farming), a shared language, kinship, *Xeer* and Islam defined a Somali's social and political world. Although conflict was part of the historical landscape in context of scarcity, it was not its defining feature. That belonged to survival driven cooperation and risk aversion, and equality (gendered) [67] among Somalis - self-reliance and autonomy featured prominently.

The politicization of genealogy during the colonial era and the pursuit of such divisive strategy by elements of the post colonial elite transformed mild cultural differences into serious exclusive political boundaries. How would reinforcing this sectarian trend then advance the cause of peace, reconciliation, and the rule of law? This is the quandary facing Somalis. The evidence from the country's political history, particularly in the last thirty years, indicates that reifying divisive 'clan boundaries' has led to calamitous political and social fragmentation and unprecedented civil war. If the objective of the peace process is to nurture reconciliation and democracy, then political ethnicity (clan politics) is an inappropriate tool for such an agenda. Evidence and logic contradict the claim that clanism would be a fertile ground in which to sow the seeds of democratic and accountable political order.

The Somali Youth League's nationalist politics, from the late 1940s to the democratic and institution building era of the 1960s, including the first five years of the military period, have demonstrated how feasible it is to develop democratic institutions in tandem with traditional Somali values. The anchors of that era, particularly during the republican period, consisted of the values of tolerance, consensus, an absence of physical violence, and respect for the rule of law.[68] Somalis now consider this period the golden era of their modern history and argue that it can be a rich sources of ideas for democratic reconstruction. The gist of this experience contradicts the claims of Life and Peace, and WSP and International Partners, whose paradigm is the clan map. An alternative map would take account of traditional livelihoods that emphasized the interdependency of communities, just and fair management of collective resources and the rule of law. This would also highlight the overlapping of genealogical groups, given intermarried and shared habitat and resources. Such a contrasting map will divide urban and rural areas into neighborhoods/settlements centered on the population's needs such as schools, hospitals, markets and ecological zones. Such a scheme will strictly guard against corruption and misuse of public authority and resources. There are clear signs that civic developments are growing in places like Mogadishu that can act as alternative vehicles to the clanist trajectory. This author has often used a simple test to gauge the public's preference for civic rather than ethnic politics. Parents from a variety of setting are asked to choose which of two schools their children will attend: good public schools open to all children or ordinary schools built by their genealogical group. Nearly all parents opted for the inclusive schools. A question pertaining to health elicits similar reactions from the population. These instances indicate that what matters to the public is how just the system is and the quality of the services provided.

The moral of the humanitarian edict "do-no-harm" is that assistance to vulnerable people must not undermine their long-term interest. Since ideas inform and shape action, those who intend to help others must scrupulously examine the implications of the concepts which guide their actions. It is imperative that agencies act urgently during humanitarian crisis, however, once the

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[67] For a good read on gender and culture see, Lidwien Kateijns with Maryan Omar Ali. *Women's Voices in a man's World* (Portsmouth: Heinemann, 1999).

[68] Yusuf Dhuhul. *The Dalka Days* (London: unpublished paper, 1996).

emergency phase of the disaster is over, donors must re-examine their ideas and insure that they do add to the community's liability. It seems that many of those who are involved with the Somali calamity have yet to evaluate the ideas that frame their understanding of the problem. The above analysis of Somali political history and culture suggests that it is high time for such re-examination to take place.

Finally, it is evident that good government and the rule of law can not be establish on the basis of exclusive identity whose master concept is segregation of the community into segments enforced by law. Corrupt officials, faction leaders, and warlord have pursued this agenda. The irony is that some INGOs, and members of the international community have endorsed it as well.

Is There a Way Out of the Somali Morass?
Mohamoud Ahmed Nur

It was obvious from the very first day that the Technical Committee of the Inter-Governmental Agency for Development (IGAD) started organizing the Peace and Reconciliation Conference for the Somali people, and assembling delegates from different factions, that the process was deeply flawed. The members of the Technical Committee were mostly incompetent individuals whose integrity and sincerity had been blemished. The Somali participants they invited to the Peace and Reconciliation Conference were exclusively recruited from among the militias controlled by the warlords who had neither the integrity, nor the political savvy or the intellect to tackle the complex problems facing the Somali people. Thus, the whole process became compromised from the get go. The result was that qualified and truly patriotic Somalis were marginalised and disfranchised in the peace process, in the selection of the various committees, as well the selection of the members of transitional parliament.

Further more, it is a well established fact that some of the neighbouring countries, whose sinister motives were never secret, hijacked the Peace and Reconciliation Process. Their agents infiltrated the six committees that were supposed to setup the road map of the future Somali government. These neighbouring countries and the Somali puppets and spies in their pay succeeded in excluding qualified Somali intellectuals and other fair minded people who were not affiliated with the warlords and their militias. At no point did the Somalis truly own the process that was supposed to produce an interim government for them. It is no wonder then that the Transitional Federal Government (TNG) has yet to follow or implement the agreed upon directives that the six committees suggested in their respective reports.

The objectives of this paper are three-fold. Firstly, I will argue that the current members of the Transitional Federal Government are not qualified in temperament or expertise to resolve the intricate and intractable problems that the Somali people face today.   Secondly, I will explicate what good governance entails and the implications that has for the particular circumstances of the Somali Transitional Federal Government. Finally, I will propose steps that need to be taken if the Somalis and their international well-wishers ever want to have a chance to extricate the Somali Republic from the morass it is in now.

Introduction

The growth and development of any institution depend on the people that are working in it. The leadership of the institution gives its staff a vision that inspires, motivates, guides, and gives them a sense of direction. Without that vision different elements within the institution pull it to different directions which eventually will hamper its progress. The leader is also responsible for the recruitment and selection of the staff in order to put the right people into the right positions. A good leader recognises his/her weaknesses and addresses them by bringing into his/her administration people who are knowledgeable and experienced. However, it has become part of Somali leadership style for leaders to distance themselves from the people who are qualified and fair minded. What is clear is that our current leaders don't like anyone who tells them the truth; they don't like those who give them the right advice.

The Characters and personalities of the current Somali political leadership
The leadership of any nation is responsible for defining a good future of its people. Leaders must lead their people with vision, navigate political opposition, embark on grass roots canvassing, and win the hearts and the minds of the people they aspire to lead. Leaders need to be strategic planners, broad- minded thinkers and creative organizers that break out of traditional political warlordism. Leaders should be a role model for the society in displaying good character.

At this critical time the Somali nation needs a leader who upholds the rule of law and protects the constitution or the Charter. Contrary to that we are witnessing leaders who show no respect whatsoever for rule of law. This Current Somali leadership behaves much like, if not worse than, the previous dictator, Mohammed Siad Barre.

Good Somali leaders, with the pertinent qualifications, personalities, intentions and capacities have been marginalised in the peace and reconciliation process, in the selection of delegates, as well the selection of the members of parliament. When it came to the formation of government, this group was completely excluded. The three divisive issues have negatively impacted the future governance of our country are: first, members of the parliament were selected by the warlords with superficial consultation with traditional leaders; second, Somali citizens who are not members of parliament cannot be appointed prime minister or deputy prime minister or to any other ministerial portfolio; third, Somali intellectuals, technocrats, and religious and nationalist leaders were completely excluded from both the formation of the parliament and government. The government is full of people with no basic understanding of governance and how it works, and those in the government with some knowledge are mostly opportunists who do not care about national interest. As a result of that, the government ended up drawing its members from lowly parliamentarians with very limited education and skills. The exclusion of Somali technocrats, intellectuals and lack of good governance is the core issue that can explain the current paralyses of Federal Transitional Government (FTG).

Since the Somali peace reconciliation conference started in Kenya in 2002, it was overshadowed by controversy, inconsistence and mismanagement. For example, the Technical committee of the Inter-Governmental Agency for Development (IGAD) invited 300 Somali delegates: 100 delegates for each of the Transitional National Government (FTG's predecessor), SRRC and Somali Civil Society. However, the eventual number of delegates was inflated to 1000. There were at least two reasons for the inflation of the number of delegates. Firstly, some delegates were insisted on by Ethiopia and Kenya, two prominent IGAD member states, purely to serve their own interests. Secondly, Kenya wanted to have as many delegates as it could get away with in order to fill all the local hotels to improve the economy of the city of Eldoret, which is the hometown of then Kenyan president, Arap Moi. The second reason is that it was Ethiopia's agenda to engineer the ultimate outcome of the process, which it forcefully and undiplomatically steered to the end, producing the current cumbersome parliament, including the president and prime minister, both of whom are unabashedly beholden to Ethiopia.

Clearly, the outcome of the Somali peace and reconciliation process does not reflect the aspirations of the Somali people and in no way does the FTG represent anyone except the individuals in comprises. It is known for a fact that the warlords engineered the selection of MPs so they are not accountable to the constituencies and clans that they are claimed for. Dr. Mohamed Mukhtar wrote in an essay,

"The mutable clan-based framework upon which the products were founded is a major concern…Government members represent not concrete constituents, but rather abstract clans" [69]

The author of this paper was present when the Somali parliament elected the president. Money openly changed hands during the break after the first round of voting. In one shameful but comical incident, one of the newly minted MPs fell down while he was walking down the stairs. A huge bundle of money estimated at $30,000 fell out his pocket. A Kenyan security guard collected the money from the floor and said to him "Sir, you are a very rich man." One European diplomatic observer of the peace process said the outcome of this process will be a government of warlords and a parliament, most of whose members are illiterates.

The 275 MPs can be divided into three groups. The first group, which could potentially account for over 40% of the current parliament membership, comprises those whose votes are for sale to the highest bidder. This group is made up of individuals who do not hold onto any principle or political philosophy. Their sole purpose is to enrich themselves as much as possible during the transition period. The second group, which accounts for about 30% of parliament membership, consists of clan loyalists, whose voting is based on tribal allegiances. Individuals in this second group would go along with a proposal even if it is against the interests of the nation as long as they are assured that it would benefit their clan in the short term. Only about (less than 20%) of the current parliament could be said to have any sense of national responsibility that impels them to defend the interests of the nation.

One of the negative outcomes of this ill-engineered parliament is that the members hermetically sealed leadership process from any real competition, and have legislated that no other member of society can participate in government. Government members are only selected from the members of the parliament which has the lowest capabilities in our society, and as a result the government is paralysed and mentally incapacitated.

Since the government has been formed almost a year ago, not a single ministry is functioning. Most of ministers think their job is to serve and please the president and the prime minister, and not the Somali nation. They are all busy with the politics of getting their fair share of whatever money the international community donates. They scuffle over who will travel with the president or the prime minister. This government has become travel and holiday organisers.

The election of the new Somali President is beginning of the end?

As International Crisis Group (ICG) mentioned in its report titled "Continuation of war by other means,"

"The choice for interim president colonel Abdullahi Yusuf is divisive and controversial and was not a good news. To many Somalis, his election represents not a step toward peace but continuation of the war by other means." [70]

Mr. Yusuf requested troops from neighbouring countries, particularly Ethiopia before even appointing a prime minister and without consulting the parliament. The dictatorial tendencies of the president have created hostilities and uncertainties among Somali parliamentarians, thus dividing this infant institution that the Somali people have hung their hopes to start the healing process.

Pointing out the character of the president, Dr. A. Samatar wrote in an article published on a number of Somali websites, "Mr Yusuf is known for making a mockery of political ethics, dictatorial appetite, incompetent administration, cruel and illegitimate use of public power."[71] Mr Yusuf already has manifested some of these despicable qualities. Because of his ill-advised decisions, the parliament is split into two camps; one that follows whatever he wants in exchange for some handouts, and another that opposes whatever he comes up with. He violated the Charter of the FTG on numerous occasions. For example, he demanded that the parliament convene under the leadership of the vice parliament speaker while the speaker himself was available. On another occasion, the president ordered the parliament to convene on a date week earlier than the date the speaker of parliament set. This was a gross misconduct and a clear violation of the Charter. The president also suspended the parliament so that he would have a free hand to do whatever he wanted to do without being accountable to the parliament. For a period of six long months the parliament was in a forced recess and thus was not able to scrutinize whatever the government or president was up to.

Mr. Yusuf refused to participate in, and conspired against, all previous 14 reconciliation conferences. In a video-taped conversation recorded in Eldoret, the president boasts that *he* started the civil war which led to the destruction of the country. In the same tape he confesses that he single-handedly obstructed the results of the Cairo Conference and Arte (Djibouti) Conference. He also shamelessly brags that he created the SRRC group just to destroy the Transitional National Government, the reconciliation government that formed as a result of the Arte conference. In another occasion, when he was presiding over the opening ceremony for the new African Union office in Jowhar he said quote: "Something I'll remind you of, it's not secret. I'll remind you Mr. Chairman, chairperson I should say, and delegates. That I …. Some people here might think I'm young. I'm one of the people who destroyed Somalia. I was the first man."

The TFG was not elected on the basis of a specific political programme which it campaigned for. If that were the case, it would have had the necessary mandate to implement its political programme. This government came into existence on the basis of two fundamental factors: power sharing and consensus. The TFG is supposed to be a reconciliation government; there were different factions fighting for power none of whom was able to win clear military victory. The international community brought them together to negotiate in order to share power.

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[70] ICG- **Somalia: Continuation of War by Other Means?**
Africa Report N°88
21 December 2004

[71] **Somalia 's Worrisome Leadership: What Next?** Abdi Ismail Samatar, Professor of Geography & Global Studies University of Minnesota & Ahmed I. Samatar, James Wallace Professor & Dean of International Studies & Programming Macalester College, October 20, 2004
Markacadeey website

When Abdullahi Yusuf became president, the premiership should have pertained to the opposing factions, who should have negotiating among themselves to propose the person they wanted to be the prime minister. However, the opposition factions' irreconcilable differences played into the hands of the president. He took advantage of the situation and appointed the person he wanted, which effectively did away with the power sharing principle and the checks and balances it was supposed to guarantee. As a result, the authority of the prime minister, who the charter envisages to hold the highest power in the executive branch of the government, diminished. Furthermore, since the opposing factions did not have a say in his appointment, he ended up toeing the president's line in every issue. Unless this imbalance is corrected, the government will not work and is bound to collapse.

Mogadishu warlords do not want the government to succeed. However, one thing should be made clear; the opposition of the majority of the people to the two divisive issues that the president introduced - frontline states contributing peacekeeping forces, and the seating of government to a location other than the capital city of Mogadishu - is genuine. The same cannot be said about the opposition of the Mogadishu warlords to the same two issues. They are using these issues as a pretext. These warlords are the same people who strangled the people of Mogadishu, closing its seaport and international airport. Their intransigencies were responsible for much of the mayhem of the past fifteen years. They derailed the government of Ali Mahdi and Abdiqasim and took the residents of Mogadishu as hostage for their own brigand interests.

Good Governance and its implications for the current Somali situation

The practice of good governance is imperative if the FTG has to succeed in bringing peace and reconstruction to Somalia. Governance is defined as: the process of decision making and the process by which decisions are implemented or not implemented. Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance. UNDP views governance as the exercise of economic, political, and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes, and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations, and mediate their differences (in HDC1999)[72]

There are six concepts generally associated with good governance:

1. Participation: All citizens of the country should have a voice in the government decision making process, directly or indirectly or through legitimate institutions that represent their interests.
2. Strategic vision: Leaders and the public should develop a broad and long-term perspective on human development, along with a sense of what is needed for such development. They should also have a clear understanding of the historical, cultural and social complexities in which that perspective is grounded
3. Rule of Law: The legal frameworks should be fair and enforced impartially, especially laws on human rights and freedom of expression. Decisions taken and their enforcement should be done in a manner that follows rules and regulation.
4. Transparency: It is important also that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement.

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[72] (in HDC 1999)

5. Consensus orientation: Good governance requires mediation of the different interest groups in society to reach a broad consensus on what is the best interest of the group and, where possible on policies and procedures.

6. Accountability: Decision makers should be accountable to the public as well as to institutional stakeholders.

The FTG is singularly bereft of these characteristics of good governance. There is not a single one among them that can be said to constitute any value to the leaders of the FTG. From the beginning, the voice of the people were absent from the Somali Peace Process. The participants were Somalis from different tribes and regions but they were representing only themselves. They didn't have the legitimacy to represent the people they were claiming to represent. The leaders do not have strategic vision for the nation they intend to govern. Yes, they do have individual strategies on how to grab power, squander public money, and abuse the powers of the state. The president of the FTG requested 20,000 military personal from neighbouring countries without consulting the parliament and before even appointing a prime minister. This clearly demonstrates the dictatorial tendencies of the president and lack of respect for the Charter that he forcefully campaigned for and lobbied the influential governments that constitute IGAD.

Most of Somali political leaders think that they are above the law simply because they hold public offices. In the history of Somalia, no minister ever appointed a legal advisor for his/her ministry. The received thinking among them was that laws were applied to the general public only, and this notion still persists in the Somali culture.

As for consensus orientation, it is nonexistent in the workings of the current government. A reconciliation government is supposed to reach its decisions through consensus. On the contrary, this government is purely dictatorial. That is why the FTG split into two opposing factions. The main reason for this division is that the president insisted on pushing divisive proposals through parliament. The opposing Mogadishu warlords that lost the presidency to Mr. Yusuf used the ensuing controversy as ammunition to oppose him every step of the way.

The TFG does not understand the concept of accountability. As an illustration, consider the president's appointment of the Governor of the Somali National Bank. The cabinet approved the appointment. However, they weakened his position by withholding the authority to have a say in any financial transaction of the government.

All the money that is coming into the coffers of the TFG in the name of Somali people is so far unaccounted for. There is no accountability procedure or transparency. The prime minister distributes the salaries to the MPs in exchange for their votes. The inherent checks and balances of a parliament were destroyed by the president and his prime minister. How can the parliamentarians discharge their duties if they are financially dependent on the handouts of the president or the prime minister?

What is to be done now?

The FTG is on the brink of a monumental collapse. The political leadership has championed unnecessary divisive issues that created hostility and suspicion among members of government and the parliament. The urgent question is: can the country be saved from dismemberment and renewed armed conflict? I believe this eventuality can be prevented only if drastic measures are

taken by the international community and the main Somali players. The following four steps are a starter without which the current government is doomed.

The international community should use its clout and influence to ensure that the Somali political leadership and members of government and parliament adhere to and respect the Charter. It should make it very clear that no violation of the charter will be tolerated from anybody. The international community holds the purse strings of the FTG and should use that as a stick. The FTG will be obliged as soon as it realizes that the threat is serious.

The proper power sharing that was violated when the president got his way in appointing the prime minister should be reintroduced. The two opposing sides should come up with a mechanism of balancing the political power. The parliament should restrain the president and take away the powers he had usurped in violation of the Charter. This is the only way to prevent eminent dictatorship.

Government ministers should not be members of parliament, and if any MP accepts a ministerial portfolio he/she should lose his/her seat in the parliament.

Parliamentarians should be financially independent of the president or the prime minister. This is the only way parliamentarians can discharge their duties without the fear of financial bribery or blackmail.

Good Governance, Decentralization and the Rule of Law in Ethiopia
Kinfe Abraham

Abstract

Good Governance, Decentralization and the Rule of Law in Ethiopia

Overview

A decade ago single-party states and military dictatorships were the norm in sub-Saharan Africa. The 2003 Freedom House report, using its stringent criteria, listed 18 African countries as free. Many more countries have made significant strides toward free and fair elections, effective governance and respect for internationally recognized human rights and fundamental freedoms.

The above was possible because some long-term civil wars were concluded and that others are near resolution. Ethiopia is one of such countries because of the end of the brutal epoch of the Derge regime in 1991 and the enactment of a number of swiping reforms which have altered the entire political and economic landscape of the country over the last fifteen years.

Nevertheless, democratic efforts and human rights in Ethiopia as indeed is the case in the rest of Africa face critical challenges. These are consequences of continuing conflicts in some countries and regions, weak institutions and leadership, disunity among racial, linguistic, religious, and tribal groups, corruption, and poor governance. The important changes that have taken place in Ethiopia in recent years, however, underscore the thirst and the determination of all people for good governance.

Reforms of Good Governance and the Rule of Law

One of the changes that have taken place in Ethiopia in the recent past include the reforms introduced to revamp the Ethiopian economy through a number of measures taken to liberalize and open it up. Other measures taken include revision of the investment law to attract foreign and domestic investment and stimulate economic growth by introducing various policies aimed at reviewing macro-economic trends, the financial sector, trade and other key socio-economic segments of the economy.

Additional critical reform measures taken during the post-1991 period include the formation of a transitional government and parliament and the drafting and enactment of a new federal constitution which stands in stark contrast to the unitary constitutions which obtained during the reign of the Emperor and the military regime.

Reforms aimed at improving the legal system

The early task which faced the EPRDF in its effort of making a clear break from the period of military rule was reviewing the legal system and governance situation. The task of reform was also rendered very urgent by the desire of the EPRDF to prosecute the Derg officials for war crimes. Hence, the Special Prosecutor's Office (SPO) was established in 1992.

Nevertheless, the EPRDF did not stop at prosecuting war criminals. Instead, it engaged in ushering Ethiopia in an era of constitutional rule. As noted above, this was done by drafting a new federal constitution which was preceded by the convening of a convention of nations and nationalities in July 1991. At the July convention, the debate focused on the formation of a multinational parliament, the creation of a transitional government and multinational cabinet etc. A new administrative division of the country which took into account the ethnic composition, culture and language was also introduced paving the way for a decentralized administrative system. This recognized the right of nations to self-administration based on the formation of regional states under a federal system of government.

Decentralization as an instrument of Good Governance

Some of the attributes which the EPRDF was expected to reflect in the emerging federal state (as articulated in many of its documents) were that:

a state becomes a paragon of justice only when certain essential conditions are met. One such condition was that governments become more desirable because they govern less.
a second condition was that the governed expect less government by becoming more conscious of their obligations rather than their rights.

The above two conditions were seen as essential attributes for a decentralized democratic process based on the will of nations to exercise self-administration.

In line with the above, one of the *quintessential* pillars of the new constitution is that it attempts to define the terrain of accountability of the federal government and the regional states and the rights and obligations of the citizenry at large. This act, at once, qualified Ethiopia to be a member of a community of *civilized nations*, which uphold the supremacy of the *rule of law*. This is based on the will of the nations which constitute it. It also forms the bases for decentralization and good governance.

The Essence of the Decentralization Process

The groundwork for the decentralization process which took stock of past conflicts and grievances was laid down through the acceptance of the following principles:

recognition of the equality of nations and nationalities including the right to determine their status;

acceptance of the process and praxis of elected representation including the concept of an elected government with a defined tenure of office and briefs of accountable mandate; and

the right of the individual to follow the religion of his/her choice without any form of discrimination.

The core concepts in the above are decentralization and the acceptance of the notion of federal government. This accommodates the aspirations of the various regions and/or nations which make up Ethiopia. Simultaneously, the federal states retain central authority. This is hoped to prevent future centrifugal and centripetal forces which can pull the country in different directions and lead to disintegration and anarchy.

The Transitional Government of Ethiopia (TGE), through its proposals and the parliament through its collective wisdom, had also performed an admirable job by convincing the citizenry about the merits of federalism as a rational choice for a multi-national and multi-religious country like Ethiopia.

They propagated and promoted the notion through open public debate at different levels. The goal of this was to convince all citizens that federalism can and will address their socio-economic needs and their needs of human rights including justice and self-government more effectively than the unitary state.

Some of the arguments used to justify decentralization are discussed under the following sub-topics.

The Merits of Decentralization and Federalism for Ethiopia

One argument put forward for the federal formula was that the unitary state in a multiethnic society like Ethiopia is intrinsically ill-equipped to be democratic. It cannot be reformed and is therefore inappropriate if the equality of all nations and their human rights are to be guaranteed.

There were also other reasons put forward to justify why federalism is a logical and rational choice. One reason put forward was that both power and responsibility would be farmed out to the regional self-governing units. It was also argued that regional autonomy in turn will gradually promote local democracy, a spirit of self-reliance, competition as well as capacity for organized action.

A third argument advanced in favour of federalism was that it makes it possible to adapt public services to local needs and that it promotes and safeguards freedom, democracy and responsible governance.

Fourthly, it was argued that federalism can stimulate socially beneficial inter-community competitiveness, innovation and experimentation with new forms and methods of government. This in turn can foster progress.

Finally, it was plausibly posited that federalism can also promote political stability and reduce the burden of the national government. The government may then devote its time, energy and resources to issues of multinational concern.

Good Governance, Decentralization and the Rule of Law in Ethiopia

The Transition from Unitary to Federal State

When the EPRDF took power in 1991, Ethiopians were apprehensive. They were afraid that the blood bath of the Derg era would be repeated. They had good reasons for this. The Derg started its rule promising to administer Ethiopia "without bloodshed." But soon after, it unleashed the "red terror." Therefore, Ethiopians were worried that the EPRDF might not behave differently. [1]

In this paper, first, we shall take a brief look at the transition from a unitary state to a pluralist decentralized federal state. Second, we will review the legal, institutional, administrative and other reforms introduced to make good governance via federalism a workable formula. Third, we shall try to analyze the merits and demerits of decentralization and the practical problems encountered in operationalzing it. Finally, an attempt will be made to show the linkage between good governance and decentralization as reflected in the socio-economic progress of the country. Similarly, the chapter will shed some critical light at the current challenges which good governance and decentralization pose and what needs to be done to overcome them.

The Pre-1991 Years.

Haile Selassie's rule came to an abrupt end in 1974. It was followed by years of acute conflict. There were labor strikes and urban unrest. These were contained through draconian measures of military suppression.

To consolidate his power, Colonel Mengistu first removed the royal dynasty and political aristocracy linked with the Empire. Second, he executed prominent leaders of the Derg. Third, Mengistu eliminated the ideological left by playing one faction against the other. To contain the attacks of the left against the Derg, Mengistu unleashed the "Red Terror" which claimed the lives of 100,000 educated Ethiopians. [2]

After eliminating his opponents, Mengistu established the People's Democratic Republic of Ethiopia (PDRE) in 1987. However, the extravagant celebration of the new republic was overshadowed by famine in Wello and Tigray. This signaled the regimes inevitable disintegration.

The 1980s were difficult years for the Derg. The 1984 famine made the regime abandon development programs. Then another famine threatened Ethiopia in 1987. Moreover, the nationality conflict escalated in the late 1980s. The Derg never tried to address the question of nationalities meaningfully. It opted for a military solution. This resulted in the downfall of the Mengistu regime.

As indicated above, when the EPRDF took power in 1991, Ethiopians were anxious. They did not believe that the various ethnic groups would cooperate to usher Ethiopia in an era of peace and stability. They judged the present by the past, as the Derg regime never fulfilled its promises.
However, the EPRDF was favored by three factors. First, Ethiopians were happy that the civil war was finally over. Their children did not have to be the sacrificial lambs of the civil war. Second, there was a longing among many for democracy which the EPRDF promised to embark on. Third, there was the international approval which the EPRDF received in London in May 1991 and the speed it scored with which it restored law and order in the country.

The early task which faced the EPRDF was prosecuting the Derg officials for war crimes. Hence, the Special Prosecutor's Office (SPO) was established in 1992. However, the EPRDF did not stop with prosecuting war criminals. Instead, it engaged in ushering Ethiopia in an era of constitutional rule. The drafting of the constitution was preceded by the convening of a convention of nations and nationalities in July 1991. At the July convention, the debate focused on the formation of a multinational parliament, the creation of a transitional government and multinational cabinet. A new administrative division of the country which took into account the ethnic composition, culture and language was introduced paving the way for a decentralized administrative system. This recognized the right of nations to self-administration based on the formation of regional states under a federal system of government.[3]

The July convention also produced the *Transitional Charter* of Ethiopia which served as an interim constitution until a government was elected and a new constitution was drafted and adopted. The first article of the Charter states, "based on the Universal Declaration of Human Rights of the United Nations... individual human rights shall be respected fully, and without any limitation whatever." The Charter also specifically mentions "freedom of conscience, expression, association and peaceable assembly", and "the right to engage in unrestricted political activity and to organize political parties, provided the exercise of such rights does not infringe upon the rights of others."

The Charter also resulted in the creation of the Council of Representatives as the supreme body. It had exclusive, legislative, judicial and executive authority during the interim period. It elected a head of state, prime minister and a council of ministers. Following this the elections of the Constituent Assembly took place in June 1994, and the body adopted a new constitution in December of the same year.

The EPRDF Prototype of Decentralization, Good Governance and the Rule of Law

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a state becomes a paragon of justice only when certain essential conditions are met. One such condition was that governments become more desirable because they govern less.
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The core concepts in the above are decentralization and the acceptance of the notion of federal government. This accommodates the aspirations of the various regions and/or nations which make up Ethiopia. Simultaneously, the federal state retains the central authority. This is hoped to prevent future centrifugal and centripetal forces which can pull the country in different directions and lead to disintegration and anarchy.

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A third argument advanced in favor of federalism was that it makes it possible to adapt public services to local needs and that it promotes and safeguards freedom, democracy and responsible governance. [6]

Fourthly, it was argued that federalism can stimulate socially beneficial inter-community competitiveness, innovation and experimentation with new forms and methods of government. This in turn can foster progress.

Finally, it was plausibly posited that federalism can also promote political stability and reduce the burden of the national government. The government may then devote its time, energy and resources to issues of multinational concern.

Operationalizing Good Governance via Decentralization: The drafting of a new federal constitution

When the federal constitution was adopted in 1994 the ownership of the constitution was underlined. Here, it is necessary to note that, although aspects of the new constitution were proposed by the EPRDF, they were subsequently discussed, amended and approved by all nations and nationalities, including the Oromo, Amhara, Afar, Tigray, Somali and the Southern Peoples. These groups discussed the preconditions and conditions requisite for a peaceful transition to a stable democratic order. [7]

An important element in this process was the debate on the rights of all nations and their citizens to be respected. For instance, some of the preconditions demanded were that all institutions of repression installed by the previous regime be dismantled, regional prejudices be removed and the rights and interests of the deprived citizens be safeguarded by a democratic government elected by and accountable to the people.

If the above rights had not been guaranteed during the early phase of the transitional period, most of the old liberation movements would have reluctantly opted to continue with their armed struggle. This would have included the 45 parties in the EPRDF coalition.

There were also other steps that were taken. The major ones are discussed below.

Safeguards on Making Federalism Functional

While the above arguments were carefully and convincingly marshaled, nevertheless, it was also made abundantly clear that the transition from a unitary state to a democratic one was not entirely free from problems. Hence, the following cautionary measures were suggested.[8]

Cautions on Good Governance via Decentralization

Future governments should be wary about the dangers of excessive decentralization. Power should be delegated in the right doses and in a staggered fashion. Such cautionary measures are necessary to:

prevent inefficient management of local affairs;
minimize the risk of local autocratic rule by petty officials and powerful minority groups which are prone to foster parochialism and produce national and regional disunity and anarchy;
ensure a standards of public service and protect the civil rights of minorities in regions;
mitigate the inertia and extreme rigidity in the organization and management of local government; and reduce the burden on national security.[9]

Guaranteeing the Ownership of the Constitution

An important element in the healing process was ensuring that the rights of all nations, nationalities and their citizens be respected. For instance, one of the pre-conditions demanded was that all institutions of repression installed by the previous regimes be dismantled, regional prejudices redressed and the rights and interests of deprived citizens be safeguarded by a democratic government elected by and accountable to the people.[10] If these rights had not been guaranteed during the early phase of the transitional period most of the old liberation movements would have reluctantly opted to continue with their armed struggle. And this would have included the 45 parties in the EPRDF coalition.

Establishment of the Constituent Assembly

Divergent views were expressed on this. But the election of the Constituent Assembly was necessary to fulfill three paramount objectives –
1) to examine and discuss the draft constitution;
2) incorporate new ideas, including its own; and
3) to amend and ratify the constitution which provided a basis for the supranational and federal parliamentary elections which took place in May 1995 and 2000.

The Constituent Assembly also served as the peoples' forum for discussing the constitution. It gave the representatives of the people an opportunity to examine and approve the constitution. That way, they were able to guarantee that effective power rested with the people.

A second justification for the election of the Constituent Assembly was that it provided practical lessons on how elections should be conducted. This was of supreme value for the Ethiopian people who were preparing to participate in the May 1995 election to choose their representatives for the first time.

Further, the Constituent Assembly provided the electorate and those who stood for election as members of the Constituent Assembly another chanced to stand for parliamentary elections. During the second entry they had been exposed to good democratic practice and hopefully also better equipped with campaign tactics.

Besides, the election for the Constituent Assembly gave those who did not win another chance to do so during the first National Elections. Ultimately, the idea was to include the principles of good democratic practice; namely that election is not only about winning, but also about losing and trying once again.

The nation-wide campaign which introduced the constitution for debate and amendments in 1994 was also a good forum. We were given to understand that the debate was conducted at 27,000 kebeles (administrative zones) throughout the country and that some 30 million people participated in it.

Its aims were:
1) to discuss salient and central issues taken up in the constitution such as those on social and political rights and to codify the supremacy of the law;
2) to inculcate the essential values of good democratic practice including the right to elect and be elected for public offices and above all; and

3) to remove the anomalies of elitist rule, government by decree and restore the rights of the people to run their affairs in a manner which is equitable and just to all. Both the *Constituent Assembly and Constitutional fora* which preceded the federal elections had thus made much desired and very useful contributions to the democratization process.

The Drafting of a New Federal Democratic Constitution

The 1995 constitution was not the first one for Ethiopia, but certainly it is the first one which advocates democratic federalism. Indeed, Ethiopia had seen other constitutions. In 1930, Emperor Haile Selassie had issued a constitution which defined the power and role of the *imperial state and the divine prerogatives which put the crown above the law*.

In 1955, the 1930 constitution was amended to include a bicameral parliament and a cabinet nominally chosen by the premier and approved by the Emperor. But the 1955 constitution also essentially retained the power and discretion of the crown provided in the 1930 constitution.[11]

Similarly, another constitution which emboldened the socialist ideological euphoria of the 1974 upheaval was issued by the military government. But again, this constitution failed to address cardinal issues such as the questions of national and nationalities, power and power-sharing and the concept of representative government and accountability and its concomitant obligations. The 1987 constitution of the workers Party of Ethiopia likewise failed to address these central issues.

It is the courage and readiness to address the above paramount issues which sets off the present constitution from its predecessors. This departure from the past, many believe and fervently hope, will also make a difference by way of paving the path toward an equalitarian society predicated on justice and the rule of law.

One crucial difference is that unlike the past in which the people (if at all consulted) had to put a rubber stamp on decisions which had already been made. This time the people were directly involved in decisions affecting them right form the outset.

Salient Features

Introduction of New Reform Measures for Good Governance

Other features of the new reform measures included stipulations on:

A new liberal and market-oriented economic policy;
Social policy including that of education and public health and a new policy on housing and construction;
Alleviation of the acute shortage of urban housing via the pledge of the government to distribute land freely to those who wish to build residential houses;
Provision of legal and administrative backing to stimulate investments in various sectors by individuals, or groups; and
Attracting foreign capital to boost investment in various sectors such as construction, mining and energy and in the agrarian and industrial sectors.[12]

Participation and reactions to the new Federal Constitution

Admittedly some parties did not participate in the process but we do not think they were willfully excluded. In addition, it is important to note that the 30-people strong constitution drafting commission was composed of members of the EPRDF and a number of other political parties, such as the southern people's organization, and opposition parties such as the monarchist party (*Moa-Anbessa*), the Ethiopian Democratic Union (EDU), the Ethiopian Democratic Alliance Group (EDAG) and various other groups and legal bodies in the country.

It had also gathered and incorporated the views of prominent legal authorities on constitutional matters who participated in the various conferences and seminars organized inside and outside the country.

Some of the controversial issues had led to lengthy and sometimes acrid debate. But an identity of opinion or a total homogeneity of views should not be expected in a democratic process. The essence of democracy is that it provides rules for accommodating groups of divergent views and hues. That is why radical and conservative parties co-exist in western democracies.[13]

One should also concede that there were genuine difficulties in bringing groups that were hostile to the notion of federal democracy into the political process. The dilemma here was that the ideology of the *unitary state* is antithetical to and irreconcilable with that of a *Multi-party democracy*. The most important thing about the new political process is, nevertheless, that it ensures that people are not tried or detained because of views they hold.[14]

Prospects of the New Constitution and Good Governance

The federal election of May 1995 essentially became the *litmus test* of the strength of the new constitution. Basically, nevertheless, the success of this constitution, like all others, squarely rests not only on the bold principles of egalitarianism and justice it enshrines but also on the dedication and integrity with which they are interpreted and applied in real life.[15] If the Transitional Government of Ethiopia (TGE) and parliament could enact laws, which limited their authority and term of office, then there was sufficient motivation to believe that they or any future governments will also have the vision, courage and commitment to make the constitution and the democratic process work.[16]

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Good Governance and the Rights of the Displaced in Sudan
Amira Awad Osman

INTRODUCTION

This paper looks at the issue of good governance in the context of displacement. The paper starts with a brief description of the displaced population in Sudan with more focuses on the Triple Capital (Khartoum, Khartoum North and Omdurman) and the way the displaced have tried to live in what is meant to be a safe place for them.

Second, the paper questions government interventions in displaced person's areas/camps and argues that the government, through its poor policies and institutions has manipulated, abused and used the law against the displaced in order to force them to leave the capital city to seek refuge elsewhere.

The third section examines the issue of good governance in the context of displacement and the rule of law. It analyses the concept of the rule of law including international law to protect the displaced. This section also focuses on The Guiding Principles as a useful legal tool to protect the displaced. Moreover, the role of both governance and displaced persons in building effective trust to foster peace and post conflict reconstruction is explored. The paper ends with a conclusion and a set of recommendations.

Statistics and geography

There is no accepted number of internally displaced persons in Sudan. Jacobsen *et al* (2001: 84) have argued that information on the number of internally displaced population in Sudan and their geographical distribution has been a long standing source of dispute between the Government of Sudan (GOS), the United Nations (UN) and International Non-Governmental Organisations (INGOs). This disagreement is based on conflicting estimates on when displacement occurred, strategies of INGOS including their relief operations as well as differences in definitions. Estimates suggest that the number of displaced persons in Sudan is 4.5 million out of a population of 31.7 million, that is 14.2% of the total population (Norwegian Refugee Council 2003a, online). They are scattered in different geographical and political areas numbering almost five main groups. First, those displaced in Northern Sudan. Second, those who were displaced into government controlled areas in Southern Sudan. Thirdly, those displaced in Sudan People's Liberation Army (SPLA) controlled areas (Yacoub, 1995: 33). Fourthly, war in the Eastern Front between the GOS and the National Democratic Alliance (NDA) has also generated more displaced persons. Finally, since early 2003 with the eruption of conflict in Darfur, in the west of Sudan, a fifth group of internally displaced persons has emerged. In the latter, over 300,000 have died due to violence, starvation and hunger. More than one million people have fled systematic killings, the burning of villages and farms and serious violations of human rights (Norwegian Refugee Council 2003a, online). Darfur has become the worst humanitarian crisis in the world.

Although displaced persons are found in almost all regions of Sudan, Khartoum has the lion's share of internally displaced persons. Table (1) shows estimates of the displaced persons in 4 different geographical locations.

Table (1)

Area	Number of the displaced
SPLM/A territories	1.4 Million
Southern areas under government control	300, 000
Eastern and Central 'transitional zone'	500, 000
Greater Khartoum	2 million
Total	4.2 Million

Source: (Norwegian Refugee Council, 2003a, online)

Khartoum or the Triple capital as a common distance
Why does the triple capital have the highest number of internally displaced persons? Khartoum is probably seen by the displaced as an attractive destination in terms of health and social services and possible employment. It has the largest hospitals, with about 60% of the country's specialist doctors, 80% of the industry and a vast number of educational institutions as well as availability of water and electricity (Mahmoud 1999: 44). Nevertheless, in Khartoum the displaced are less likely to benefit from the above services since they end up living in slum areas, where such services are not available, or in camps without electricity and where scarcity of water is common.

Internally displaced people in Khartoum

40% of Khartoum's population of 5 million are displaced, with roughly 220,000 living in 4 official camps (Mayo, Jebel Aulia, Wad Al-Bashir and Al-Salam).
35% are children. Women outnumber men by 3 to 2.
90% of displaced households live below the poverty line.
30% have no access to medical services.
50% of school age children do not attend schools

Source: (Alternatives: 2000)

War as the major cause of displacement
Although the triple axes of war, famine and drought have generated large number of internal displacement in Sudan, war has been regarded as the major case of internal displacement.

Of its forty-nine years as an independent country, Sudan has experienced severe civil war for more than thirty, resulting to a number of populations displaced. By March 1989, for example, approximately one and half million Southerners Sudanese had fled to Khartoum (Minear 1991: 19). Furthermore, as a result of the war, many Southern Sudanese people had become refugees in neighbouring countries such as Uganda, Ethiopia and Kenya.

In Southern Sudan the activities of both warring parties (GOS and SPLA) have massively widened the scope of the war. Battles between the warring parties, with the intention of capturing territory, are not the only aspect of fighting. From the outset of the war civilians have been systematically targeted, as well as their resources, including their farms, livestock and infrastructure (Johnson 2003: 151). Hospitals, schools and houses were destroyed (Peter *et al*: 1995). In fact, the war has been fought as a resource war (Johnson 2003: 115).

For instance, in order to drive civilians from oil rich areas, the Sudan army and its militias have planted landmines in the compound of relief organisations. The Sudan army was the major violator of the rights of the inhabitants mainly Dinka and Nuer, the biggest tribes in Southern Sudan' to life in their homeland and to benefit from its natural resources. The army was accused of carrying out a "scorched earth" policy. Christian Aid (2001: 11) has reported that

Government forces and militias have destroyed harvest, looted livestock and burned house to ensure that no-one, once displaced, will return home. Since the pipeline opened, the increased use of helicopter gun-ships and indiscriminate high-altitude bombardment has added a terrifying new dimension to the war

In Darfur attacks on civilians and their properties, by Janjaweed Militia backed by the government, have also led to massive displacement. Over 300,000 have died due to violence, starvation and diseases. Conspicuous evidence provided points to the National Islamic Front (NIF) be responsible for the renewed use of helicopter gunship against Dafur Civilian. For more on this see (Http://www.sudanreeves.org/index.plp?name=article&sid=71). Tens of thousands of civilians fled their houses and became internally displaced. A significant number of them have taken refugee in neighbouring Chad. The national government has been reluctant to intervene to protect civilians and the crisis has become the worst humanitarian crisis in the world.

In January 2004, the GOS and SPLA/M signed the Comprehensive peace agreement (CPA) in Nairobi Kenya to end Africa's longest war in the South. However, that peace agreement does not extended to the armed conflict in Darfur where fighting is continuing, and an exodus of the displaced is reported by local and international NGOs as well as human rights organisations. Failure to sort out peace in Darfur would hamper the implementation of the CPA. Moreover, it does not mean bringing an end to the plight of displaced persons. Nor do the negotiations address how to return two million displaced persons from Khartoum to their homes. The CPA does not even provide access to some of the people in need of assistance. Issues related to the de-mining of war zones, farms and roads have not yet been solved. The whole issue of reconstruction in Southern Sudan is still under negotiation as funding is a major problem.

Another important issue is demobilisation of paramilitaries, which seemed to be ignored by the Agreement, putting the issue of lasting peace in jeopardy. Experience has shown that to sustain peace agreements, the issue of ex-fighters should be addressed seriously. In Angola, for example, the government was not able to fulfil its task of disarming militia groups and civilians who were given arms during the conflict. This led to armed attacks on villages and ambushes. As a result many were killed and more became displaced (Norwegian Refugee Council 2003b, Online).

Bad governance and mistreatment of the displaced

Literature on the government's response to the plight of the displaced reveals hostile attitudes and treatments committed by the government and its institutions including the legal system. For

example, in Khartoum displaced persons have suffered systematic hostility from the authorities, notably the Ministry of Housing, who destroy their temporary houses and with them the livelihoods and social networks of the displaced, forcing them to leave and resettle in official camps on the outskirts of Khartoum. This action from the government is a serious abuse of the human rights of the displaced, specially their right to live in the capital (Jacobsen *et al* 2001: 80-81).

Peter *et al* (1995: 24-25) has pointed out that the suffering of the displaced does not end when people move to a secure area. Displaced persons became a target for the Islamic government since 1989. For example, in October 1987, the Council of Ministers defined as 'squatters' those who came to the city before 1984, and 'displaced' as those who arrived later. Unlike squatters, the displaced have no rights of residence. Later policies and laws were developed to remove the displaced outside the city (For example, decree number 941 in May 1990 gave legal cover for the demolition of illegal houses). By this policy the government showed its discriminatory behaviour against the displaced. It did not treat them as citizens who have right of residence in the capital. Second it showed the ability of the government to manipulate and change the law to serve its own interest, ignoring the plight of the displaced and their needs for decent homes and new lives. It also did not help the displaced to replace their lost livelihoods which being destroyed by the war.

One of the most damaging policies adopted by the government since 1989 is its relocation programme for displaced persons. The government declares that all unregistered land is state owned and people may be evicted. During the past ten years the government has destroyed around 300,000 shelters and residences of the displaced. Squatter settlement, as well as the physical infrastructure, could be demolished with no or little prior notice. One example was in 1992, when the removal of the displaced from Kurmuta was accompanied by the destruction of a US$2 million water system funded by United Nations (UNICEF) (Vincent and Sorensen 2001). By such action the government wanted to deprive the displaced of all means of survival (Vincent and Sorensen 2001: 90).

Living where they had first settled before the relocation could have helped the displaced to develop new survival strategies. For example, being near residential areas could have meant job opportunities for women such as working as housekeepers, domestic servants and cooks. Furthermore, living not far the industrial area (near Haj Yusif) would have meant that the displaced (both women and men) were likely to have access to jobs in factories concentrated in the industrial area of Khartoum North, just a few miles from Haj Yusif with regular and cheap transport services. That could also have helped them to have access to mainstream schools for their children who had missed school. All are essential in developing, maintaining and securing survival for the displaced and their children.

Moreover, dispersing the displaced out of the capital was part of the government policy which believed that the displaced carried cultural threat to its "Civilisation Project" which aimed to limit the diversity of Sudan's cultures (Savage 2003). By that behaviour the government has meant to serve its own aims: first, to keep the capital for Muslims and Arabs. Second, to remove the imaginary security threat posed by the displaced since the government believed that the Southerners were a fifth column for the SPLA/M. This was supported by the U S State Department's 1987 report on human rights which indicated that "representatives of pro-Islamic political groups hold the view that the displaced, most of whom are non-Muslim, dilute the 'religious purity' of Khartoum and other Northern regions". Peter *et al* (1995: 24).

Vincent and Sorensen (2001: 86) have claimed that the knocking down of houses also reflects the socio-political interests of the elites and state officials, thus bringing the issue of corruption into the debate. The NIF which dominated the construction business in Sudan benefited from the policy.

It seems that the nature of the military government in Sudan, which did not believe in human rights had prevented it from negotiating with the displaced, particularly their leaders and their grass roots organisations to reach acceptable solution. Furthermore, the government policy made the displaced feel un-welcome and treated them like illegal immigrants, in their own country, who posed health and socio-cultural threats.

Also relevant here is access to justice. Evidence has shown that displaced persons have lack access to justice. For instance, displaced women who trade in alcohol as a means of livelihood suffer a lot due to injustice. This includes courts dealing with alcohol which could last for a few minutes and lawyers are not necessarily present. In fact many are denied lawyers. That is the main reason why Omdurman prison for women has a high percentage of displaced women with their children who are caught trading in *Marisa*, a local home made alcohol (Personal communication with Ms Osman, 2002).

The above highlights that the issue of human rights is crucial in the process of displacement. Evidence has shown that the displaced continue to face mistreatment, rapes torture, massive human right abuses and other crimes and discrimination. Thus the government was and is fuelling the war rather than solving it and minimising its consequences. However, the current government is required to work towards peace and post conflict reconstruction, which require good governance, the rule of law, democracy and human rights.

The above official perception and treatment of the displaced does not necessarily represent host community's perception. None of the government departments who dealt with the displaced consulted the host community to see how they view displacement. However, the rising number of civil society organisations such as human rights, community-based, regional and women's organisations, willing to work among the displaced in the capital and in other parts of Northern Sudan, in the midst of obstacles from the authorities, suggests some understanding and sympathy with the plight of the displaced. It also proves that there are people's organisations, which do not agree with the government's displacement policy and human rights policies.

Protecting the displaced: a legal perspective

The above demonstrates that the displaced often are subject to suspicion, ill-treatment and hostility from the authorities. But, unlike refugees, internally displaced persons do not have rights to international protection. They have been left to their own government. Their situation becomes difficult if they remain in a country with bad records in human rights. Hampton (1998: xv) has argued that internally displaced persons stay within their own government to maintain their civil rights and human rights. If the state is reluctant to accept external assistance, then the international community can do little to protect and assist them. Nevertheless, the introduction of the guiding principles by the United Nations in 1998 for internally displaced people has drawn international attention to their plight. These guiding principles are based upon international human laws and human rights to guide governments and humanitarian agencies in providing assistance and protection to the displaced (see www.unhcr.ch/html/menu2/7/b/principles.htm.

Injustice and mistreatment of the displaced will not be completely banned unless national law are developed, but this will require lobby and advocacy by civil society and human rights organizations.

Good governance in the context of displacement

Good governance is about democracy, human rights and justice. In the context of displacement good governance is about building democratic institutions that support displaced persons rights and treats them as equal citizens, rather than alien in their own country. It is about creating legitimate and effective legal institutions to stop corrupt and oppressive behaviour carried out by the states and its security agencies. Therefore, the current government in Sudan faces huge challenges in building good governance that ensures democratic institutions and respects the rights of the displaced.

Moreover, the current government needs to adapt international conventions that meant to protect displaced persons such as The Guiding Principles, which focuses on protection issues of the displaced. These principles identify rights and focuses on the protection of the displaced. However, the Guiding Principles are not binding on governments and many states are reluctant to follow them. Therefore, national law that deals with the plight of the displaced since their departure and through out their displacement cycle should be developed. Moreover, the rule of law might need to adapt customary laws being applied by the displaced themselves. In this regards, participation of displaced persons' grass roots organisations is highly recommended.

These principles would be useless if they are not picked by the displaced and translated into reality by the state. The displaced themselves should be aware of them and take a leading role with their grass-roots organisations to make use of them. Whilst no work has been done on how to implement the Guiding Principles in Sudan a leaf can be borrowed from Burundi. In Burundi, where displaced people population reached half a million in 2003, different methods e.g. art, participatory education and 'tradition' were used to disseminate these principles. Different rights relevant to the displaced in camps have been focused on "The protection of the property of the displaced, the freedom to enter and exit the camps, the need to include women associations in resettlement and return plans, the right of children to education, and the right of IDPs to be informed before being displaced" (Zeender 2003: 9).

The Guiding Principles have also paid attention to the growing problem of HIV/AIDS. As it notes "Special attention should be given to the prevention of contagious and infectious diseases, including AIDS, among internally displaced persons" (Guiding Principles on Internal Displacement, 19.3). In Burundi HIV/AIDs is the one of major causes of death among adult and infant mortality. A study has shown that only one in 20 displaced realizes that a condom can be used for protection against HIV/AIDS. Although 90% know that HIV/AIDs cannot be cured. Only 70% have seen a condom and less than one fifth used it (Wexler 2003: 11).

The process of good governance also involves promoting ethnic tolerance and peaceful co-existence. Therefore, the recent riots in Khartoum and other cities should be addressed seriously by the government, civil society organisations and political parties.

Other important issues such as poverty and hunger which prevent the displaced from enjoying their rights to build new livelihoods and live in dignity should also be seriously addressed by the current government and human rights organisations.

Moreover, displaced persons should be active actors in the process of promoting good governance. They should participate in developing framework of governance that addresses their needs: their needs not only to food and shelter but also to be treated, without discriminations, as citizens with responsibilities and rights. The latter includes their rights to participate fully and equally in public affairs and to enjoy equal access to public services.

Conclusion

The paper has argued that displaced persons in Sudan suffer from systematic abuses of their rights. These include being displaced to different locations outside the capital, knocking down of their houses and human rights abuses. In Darfur, where killing is still going on, the situation has become so severe as the displaced face violence, hunger and disease.

To improve the situation, good governance is a perquisite. In the displacement context, good governance is about treating the displaced as equal citizens with responsibilities and rights. These rights include their rights to decent houses where they could settle and establish new livelihoods.

Laws that protect displaced persons should also be developed. The Guiding Principles developed by the United Nations should also be used. Furthermore, national laws should not discriminate against the displaced, if lasting peace is to be achieved.

Recommendations

1. Research on the issue of good governance, the rule of law and the rights of the displaced should be supported by the current government.

2. Displaced people should be treated as equal citizens

3. Displaced persons through their grass roots organisations should be active agents in the democratisation process and peace reconstruction in Sudan

4. Resettlement and repatriation of the displaced should be done voluntarily.

5. Good governance should seriously address abuses of the rights of the displaced and develop suitable legal mechanisms to deal with their complains.

6. The Guiding Principles should be implemented in Sudan

7. The government should co-operate with the international community to bring those who are responsible for crimes in Darfur to justice.

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PART lll

THE PROPSPECTS OF DEVELOPMENT IN THE HORN OF AFRICA

Environmental Degradation And
Hunger In The Horn Of Africa:
The Need of Survival Strategy[73]
Mengistu Woube

Introduction

The Horn of Africa, which includes Ethiopia, Eritrea, Somalia, Sudan and Djibouti, is the primordial home of *homo* sapiens and an early outpost of human civilisation as recent archaeological findings confirms. The Horn is a region of great geographical diversity, rich in natural resources and inhabited by different ethnic groups who are engaged in different economic activities. Although no serious and detailed agronomic, hydrologic and land resources investigations have been undertaken, it is assumed that the abundance of rainfall, water, arable land and food plants (wild/semi-wild and introduced/perennial) would provide food self-sufficiency and surplus production.

However, the Horn is one of the poorest regions in the continent; and droughts, hunger and war often affect it. Except for the more privileged classes, hunger affects millions of poorer farmers, pastoralists and urban dwellers; and the international communities are responding with emergency food aid from time to time. Food aid saves life, but it has also prolonged hunger as long as environmental degradation is not alleviated. Environmental degradation disturbs the traditional balance between people, their habitat and political, cultural as well as the socio-economic systems in which people live. The mass-media image of hunger in the west tends to portray hunger in the region as a consequence of draughts, wars and floods. But draughts and floods are the meteorological phenomena that do not always bear direct relationships to hunger. The confusion between drought, war and hunger obscures our understanding of the root causes of hunger and delays the findings of its possible solution in the Horn.

The purpose of this paper is to: explain the meaning of hunger, identify the root causes and impacts of hunger, develop the on going debate on the impact of poverty on food security and propose hunger and drought coping strategies. The paper is based on the author's field investigation and observation carried out in some parts of the Horn as well as discussions with local population and officials. It attempts to provide some basic factors that have led to the environmental degradation facing the Horn of Africa today and to propose sustainable use of the natural resources through the conservation of the natural and human landscapes and habitat - biodiversity.

This paper deals mainly with the type of hunger where a chronic relentless condition keeps people from working productively and thinking clearly, decreases their resistance to diseases and

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[73]) Part of this paper was published in Swedish in Uppsala Nya Tidning (one of the Swedish news papers) 13 November, 2000 and in the Ethiopian Development Furum, vol. 2 (3), April 2001:53-67.

which can be intensely painful. Such prolonged hunger results in permanent damage to the body and mind and ultimately, if it goes on long enough, it kills.

Hunger is classified both as endemic and epidemic by nature. Endemic hunger (hidden hunger) results from food deficiency and under nourishment. It leads to hunger-related diseases and slow death. Social and political factors, as well as the difficulty of measuring calorie-intake level obscure endemic hunger. Epidemic hunger (famine/open hunger) is collective and results from lack of food, which leads to many deaths (Mengistu,1987 and Mesfin,1985). Even though millions of people have been killed by endemic hunger, less attention is given to it compared to epidemic hunger. Presently about 4 million, out of 67 million, in Ethiopia, 2.3 million, out of 4.3 million, in Eritrea, as well as millions more in the Sudan and Somalia continue to face persistence hunger despite a rapid response from individuals, national and international organisations.

The Root Causes of Hunger

The root causes of hunger is poverty (poverty of knowledge, material/financial, moral and ethic). Poverty is a phenomenon, which results from amalgamation of social, political and economic factors (human environment). The interaction of these factors over a long period of time produces a deleterious effect on the bio-physical environmental balance. The latter exacerbates the following factors:

climate change to human induced droughts and floods through destruction of the natural, human and animal ecosystems;
political and price instability;
incidences of diseases such as Malaria, HIV/AIDS and others water-born diseases;
regional wars, resource use and ethnic conflicts; and
migration flows as environmental, political and economic refugees.

Climate change-related factors, which are mainly associated with tectonic movement, seismicity and volcanic activity, carbon and nitrogen cycle as well as sea temperature changes in the southern hemisphare/El-Nino and La-Nina events resulting in droughts and floods have been recognised as forcing factors that contribute to the insecurity of human existence (Hutchison, 1991). Through traditional institutions, the people in the Horn had climate variability coping mechanisms through diversification of assets and activities. Such coping mechanisms were considered as important factor and management tool in shaping risk perception and risk responses in the region (Niamir-Fuller,1998). In recent decades, however, the natural climate variability has caused environmental change or increased the number of severe droughts and damaging floods (Mengistu, 2001). Normal floods, for example, had been utilised by the local population in various different farming activities, but the region is presently affected by abnormal floods mainly due to lack of environmentally sustainable land-use systems, proper conservation and utilisation of the natural resources and El-Nino-related events.

These events have become one of the causes of epidemic hunger in the Horn, due to the biophysical and human environmental changes in the region. El-Nino and La-Nina are characterised by unusually worm and cold ocean temperatures/worm and cold events, respectively. These events are recognised as significant factors in the regional climatic variability of the world and held responsible for bringing tremendous changes in the incidence of rainfall and draught in many parts of the world including in the Horn of Africa. The latter was one of the

regions that have been affected by heavy and prolonged rainfall, which led to the destructive flooding in the 1980s and 1990s. This was followed by outbreak of diseases of which the Horn of Africa was the hardest hit region. Following the cool sea surface temperature, draught related severe forest and bush/grass fires also occurred in the region although animal and plant species, as well as micro-organisms, seem to have lived in harmony with fire regimes. In Ethiopia, for example, the pastoralists and farmers use fire for re-growth of young green shoots of grasses/shrubs and food crops, respectively. However, this fire-adapted ecosystem is now disturbed by the rapid growth of population, unplanned settlement/resettlement morphology, large-scale farms and unsustainable post-fire management of the land (Mengistu, 1998). In general, flooding and fire events destroy the crops and kill thousands of animals and people and threaten millions with starvation in the Horn of Africa (WFP, 2003)[74].

Under these circumstances, the economic and social factors, widespread poverty and poverty-related population explosion have increased and the natural resources are being damaged through deforestation, extensive fuel-wood gathering, over-grazing and over-cultivation. Such short-sighting land-use activities have led to degradation and depletion of natural resources, soil moisture scarcity and compaction, agro-chemical pollution and desertification, incidence of insects, animal and human diseases as well as conflicts between and among land-users and the natural resources and the users. These situations led to ethnic and political unrest and policy changes, which weakened the capacity of the traditional institutions.
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Traditional Institutions and their Hunger Survival Strategies

Traditional institutions (informal and indigenous institutions) played important roles in conserving the natural resources, preserving culture and settled resource-use and land disputes. They were the basis for which to: avoid border/resource use conflicts before catastrophic consequences set in; they helped to restore the hunger and drought and promoted survival strategies; as well as improve local conflicts and regional wars. These institutions were also famous in terms of resource distribution, sustainable utilisation of the natural resources such as water utilisation, periodical hunting and grazing activities. In short, through traditional institutions the local people in the region adopted drought coping and hunger-survival strategies before harvesting months (pre-harvesting seasons) and in time of hunger (post-harvesting seasons). So far, today there is hardly any institution that has an emergency and concrete action plan to promote peace, regional integration, environmental conservation and mobilisation of the people for effective and long-lasting development activities.

Due to policy changes, traditional institutions have lost their roles; they no longer help to alleviate drought, flood and hunger, nor does responsive and responsible leaderships/good governance or autonomous apolitical development agency replaces them. Even wealthier community members in the past provided a support structure for the poor and contributed to the alleviation of hunger but now deepening poverty is eroding this traditional coping mechanism. Consequently, these countries produce little or no food, which lead to endemic and gradually to epidemic hunger. Such factors disrupt the environmental balance and in the balance of payments. As a result, every country is now dependent on or supplemented by food aid.

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[74]) More Technical information on the global patterns of precipitation and temperature related to abnormal climatic and flooding data can be found at the National Atmospheric System Agency, National Oceanic Atmospheric Administration, Tropical Atmosphere Ocean and other operational satellite and observatory centres. For further information, see also my own publication, Mengistu, 2001.

The following survival strategies, which are listed below, are briefly described in an interrelated manner:

preservation of grains, pulses, *enset*, pumpkin, taro, etc. through well built and carefully constructed storage systems;
gathering fruits, roots, tubers, leaves, hunting wild animals and fishing techniques ;
conservation and sustainable utilisation of natural resources;
maintenance of weekly/daily open market centres, which are located between the pastoralists and the farmers' settlement geographical locations or the different agro-climatic zones;
population and livestock seasonal movement to better economic zones;
border dispute and conflict resolution strategies and regional responsibility;
strong culture, pride and dignity; balance between the interrelationship of land, people, livestock and wildlife; and creation of employment opportunities and income generation.

Although the geography of the Horn is rich in agricultural land, water, food plants, livestock, wildlife and a great deal of tourist attractive sites, the population and civilisation of the region could deteriorate further if the traditional resources allocation, conservation and utilisation methods are not put in place. Traditional survival systems such as private and communal grain and non-grain storage, home gardens and communal work programmes were used as part of hunger coping strategies but they have now almost disappeared. What is observed in the region today is subsistence-based (self-sufficient) economy and traditional market, for example, are replaced by profit-maximising and modern market economy, respectively.

The smallholders and pastoralists are in no position to adopt or afford advanced technology such as post-harvesting, storage and food processing techniques and methods as well as modern marketing system. Regulation of market operation to control farmers and pastoralists did not work in the past and will not work in the future as long as the role of the traditional/local marketing system is not maintained. Presently, Structural Adjustment and Economic Liberalisation Policies try to capture the local market when most of the people are not economically integrated. Rather, the poor farmers, pastoralists and urban dwellers are exploited through unfavourable market forces. Market integration could lead to the increase division of labour, crop specialisation and the integration of the rural to global marketing system, if policies are in favour of the terms of trade for traditional commodities. Hutchison (1991) argued that surplus grain and important export crops could be achieved and the region could emerge as one of Africa's major economic centres, if the rural and urban poor are supported through market mechanisms and if they 'are not indebted to merchants, landlords and employers are often indebted to banks and state institutions, as well as proper international funds are channelled into the region. Otherwise, the poor people in the Horn will gain little from globalisation/economic liberalisation, since they are considered as poor credit risk-takers.

Through credit services, training, environmental education, financial and appropriate technology, well thought out land-use planning and formation of partnership between the farmers, pastoralists, private sector and governments can help improve the chances for growth and greater job creation which all this can eradicate poverty and hunger. Previously, employment opportunity was created through institutional infrastructure. Since the communities controlled land, individuals within a given region were entitled to own plots in different agro-ecological zones to plough and graze their animals. When people were not restricted by land-use and ethnic policies as well as by widespread wars, the people in the Horn had opportunities to move within and outside their own home region or across international boundaries to utilise natural resources,

find seasonal or permanent employment or to settle in the less populated and productive areas or regions. Some adopted the new culture and settled permanently and others returned to their own regions or villages willingly. Through traditional institutions, the communities developed watering sites for their animals and small-scale irrigation systems as one of the drought coping strategies. In short, such traditional resources use and the periodic needs to cross both ethnic and international boundaries, as draught and hunger coping strategies, were ignored. As concluded by Hutchison (1991:100) 'life sustaining relationships between the people of the Horn and their environmental and economic support systems is everywhere breaking down'. As a result the region, in my view, has become the geography of a beggar zone.

Presently, we can only observe the process of transformation of traditional food security by the state or international welfare agencies and the traditional market centres by feeding centres, which are financed through international donor agencies. Since one country's problems in the Horn spread to other areas in the region and since there is no real economic and social border, there is a need for genuine leaderships/good governance at all levels, who are responsive and responsible to the need and aspirations of the people. Such leaderships/good governance should have knowledge and commitment to: a) the conservation and utilisation of the natural resources; b) avoid past personal idiosyncrasies; c) iron out differences; and d) maintain respect for one another. Due to the absence of such leaderships/good governance, poorly planned and unsustainable land-use practices, industrial establishment and exploration of minerals, the draught and hunger coping foods (e.g. planted trees and wild foods, fishery sites, wildlife and their habitats) as well as grazing fields and watering sites have further deteriorated.

Not only leaderships/good governance and poor planning have historical responsibility for the death of millions of people and environmental degradation in the region but also the academics and business communities should be the blame. As has been observed, especially in the last 30 years, the poor in the Horn have been exploited in many ways. When the rural and urban poor produced plenty of products, the none-producers consumed and make profit more than the producers. When the situations are not conducive, some of the none-producers run overseas and others remain to exploit the rest. Emergency food and other aid are also shared among the producers and none-producers, people from the drought and none-drought areas. Our recent studies in Ethiopia show that, through 'Food for Work Programme' (FFWP), food aid distribution centres were established in many urban centres. However, they have neither improved the peoples' way of life nor alleviated environmental problems. Food aid has depressed local prices and created adverse supply disincentives for local farmers; encouraged corruption and nepotism and pulled massive numbers of population from hunger and food surplus agro-ecological zones to the unprepared urban centres. Despite the existence of various restrictive policies, administrative controls and other obstacles put in the way of migrants, many would go to considerable lengths to achieve their objective of gaining a foothold in towns and cities. Flight from rural poverty and conflict led to massive migration flow towards to unprepared urban centres. This has already created overcrowding, crime, depletion of natural resources and facilitates the spread of diseases (Mengistu et al., 1999 and Sjöberg et al., work in progress).

In short, although food aid has saved many precious lives, yet it has killed a working spirit, created dependency syndrome food aid and massive candidates to most catastrophic hunger in the future. We should not wait until another catastrophic famine occurs or waits until we see emaciated bodies of our people; the carcasses of livestock or until aid giving organisations come and rescue the Horn from catastrophic hunger. We have to take action today and learn to avoid

ideological and personal differences and rise up together and to make sure that the people from the Horn would have sufficient and adequate food through environmental conservation measures, genuine democratisation and concrete development action. By doing so, we would restore traditional institutions, confidence, responsibility, pride and dignity on the people as well as to live in harmony with one another which leads to permanent peace, political stability and self-sufficiency in food. To translate the above mentioned ideas into concrete operation, a program of actions is outlined below:

The Need of Program of Action:
In order to banish hunger and poverty from the Horn of Africa, the following actions are urgently required:

From the moral, ethic and human rights' point of views, international funding organisations should come up with financial aid package (similar to the Marshal Plan in Europe). Their funds should go directly to the locally, regionally and internationally accepted co-ordinating body or New Agency. The New Agency should be recognised as autonomous and apolitical co-ordinating body that only concentrates on seeking solutions to the problems of poverty and hunger through the conservation of the natural resources, effective management of the economy, mobilisation of the human resources and the introduction of the physical and social infrastructure in the region. The New Agency would implement the new development plans and strategies with the co-operation of the African Union, international organisations, the Horn of African Diaspora, mobilisation of individuals, traditional and government institutions, business and NGOs in the region and abroad as well as the restoration of previous constructive local institutions.

Committed, responsive, responsible, correct and well-trained leaderships/good governance, who can understand the role of natural resources, traditional institutions, local, regional and international co-operation and who can create deeper understanding between and within nations and nationalities are urgently needed. The responsible governments would ease the artificial barriers that restrict citizens and allow people to move freely between regions within their own country's domain and even between countries. Such measures will create understanding between and within nations and relationships with international organisations and the New Agency. The latter would invite and encourage individuals, institutions or business communities, government and NGOs that live inside and outside the region to contribute in cash or in kind or through transfer of knowledge aiming to eradicate the root causes of poverty and hunger. It would also convince international financial institutions and donor countries to contribute to long-term financial package in the form of development aid and debt relief, etc. Debt relief and aid must be redirected into the New Agency and conservation of the natural resources particularly in the land-water sectors in the region realising the goal of eradicating poverty and food insecurity.

Through the New Agency, the Horn of Africa would: a) be a political and food security region; b) be a training centre where the Horn of Africa can manufacture its own civilised, creative, broadly-thinking mind, efficient and disciplined leaderships/good governance[75]; c) bring attitudinal change of the people towards natural environment, local, regional and international relations, etc.; d) rehabilitate its natural, human and animal ecosystems; e) avoid ethnic conflicts, health problems and shortage of transportation; f) introduce human right and economic justice, appropriate and sustainable technologies, rural-urban industries, effective family planning, off

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[75]) Knowledgeable, broad-minded, committed and genuine individuals who are carefully selected within the region and from different parts of the world will administer the training centres and the New Agency. The former will be co-ordinated by the latter.

and on-farm employment opportunities, effective protection and preservation of natural habitats and wildlife species, cultural sites and food items as one of the land-use options. Based on nutritional studies, adopting healthy and economically viable food culture, as well as sustainable utilisation of water should also be considered as one of the most important hunger avoiding components and conflict resolution mechanisms.

In the past, the crucial role-played by water in food security and employment has been given too little attention in the region. If the Horn tries to implement the Poverty Reduction Strategy Papers (PRSP), water should be a key issue. Through the New Agency, sustainable water utilisation, as a source of drinking water, ecosystem services, health improvement and means of drought mitigation is possible. Water, in the form of irrigation projects, should be given special priority as a key element in the fight against poverty and food insecurity. As the UN recently warned that unless Africa confronts the problem of proper water management, it will never escape the poverty trap or develop the food security system (quoted by UNECA, 2002). Furthermore, the role of water in other sectors such as fisheries, sanitation, industrial use, hydropower energy, ecology and disaster management should also be taken into consideration. Sustainable water use can alleviate damaging flooding or El-Nino-related flooding problems, which occur along the Nile region in the Sudan and the Rivers Awash and Shebele in Ethiopia and Somalia, as well as from the Baro-Akobo and Blue Nile River Basins in Ethiopia (For flood management measures, see Mengistu, 1999).

In order to alleviate current and future El-Nino and La-Nina-related flooding and drought problems and incidences of forest and bush/grass fires (see Mengistu, 1998 & 2001), the New Agency, with the collaboration of scientists from the Horn, Horn African Diaspora and with international assistants, such an unexpected climate change and weather variability can be predicted and minimised by: a) well-planned and well-managed land-water resource conservation and development strategies; b) political stability and early warning system; c) well developed Information Technology (IT) and long-term meteorological data; d) well-thought out land-use planning and environmentally accepted resettlement schemes, appropriate technology and farming systems; e) utilisation of water resources and local environmental monitoring techniques; f) capacity and awareness building concerning natural resource protection measures through environmental education to encourage community participation, health and family planning.

In short, the New Agency will ameliorate the flooding problems through the building of water reservoirs in the various agricultural and human settlement and resettlement sites, which will serve to collect and save sufficient water during good rainy seasons to provide supplies when the rains fail. Through water storage techniques and methods, people in the Horn would be acquiring new income generating and employment opportunities. Moreover, the land-users can turn gullies into gardens, divert water from rivers and harvest runoff water from roads into their fields for annual and seasonal crops, which will improve their standard of living.

The New Agency can also adopt water-harvesting and river harnessing culture on household, village and community levels. In order to mitigate drought and promote food security, small and medium-scale irrigation, dams and water-harvesting programmes are appropriate for the Horn as most of the previously built large-scale water projects have not led to food security. Our preliminary observation of the six large-scale irrigation projects (Omo Rati, Alwero, Meki-Zway, Gode, Tana Beles and Borkenna), constructed by the socialist government in Ethiopia, for example, were mismanaged despite hundreds of millions of dollars spent on planning and

construction purposes. Similarly, Adams et al. (1983) contend that in order to mitigate drought and promote food security, governments in Africa have adopted river basin planning and large-scale irrigation projects, but many of these projects have not improved the problem of food security, due to poor planning and design as well as lack of stakeholders in policy formulation and project management.

Many factors such as political, financial, social and other factors account for the mismanagement of irrigation projects. Through the New Agency with the collaboration of the local communities/traditional institutions, such kind of irrigation and water harvesting projects could be implemented on a sustainable basis and people in the Horn would be acquiring new income generating, employment and investment opportunities, which will improve the standard of living. Based on Asian experience, Chamber (1998) contended that irrigation could improve the lives of the poor in general and food security in particular if careful planning and appropriate management is employed. Water can also be considered as a source of energy.

Since the activities of the New Agency would be based on local and regional hydro-geological and ecological knowledge, one of the indispensable food security components in the Horn is the development of energy. The energy from bio-mass sources such as dung, crop residues and woody bio-mass are the most contributing factors to the ecological imbalance and for food insecurity. Alternative energy from other sources such as bio-gas, solar, wind, geo-thermal, coal and natural gas are the prerequisites for food security and are economically viable and environmentally sustainable. In general, sustainable alternative energy can: a) be one of the solutions to the environmental degradation; b) supply the local people with improved and alternative technologies; c) off and on-farm employment opportunities and information networking; d) explore mineral resources and develop agricultural-based industries; e) encourage the development of sufficient fodder for the pastoralists and farmers, sustainable population settlement and resettlement schemes, township and village enterprise programmes; f) provide environmental education and be indispensable for the utilisation and distribution of water, food storage and transportation; g) alleviate water contamination and poor sanitation; and h) encourage eco-tourism through wildlife and its habitats conservation strategy.

The New Agency would conserve wildlife as one of the land-use options and income generating sources. Wildlife conservation can be achieved through community/traditional institutions-based sustainable utilisation of natural resources or habitats. If habitats (wetland, waterfall, conservation of the natural landscape, etc.)   are conserved and the local people are involved to participate in the project process, wildlife can: a) contribute to the recovery, maintenance and improvement of ecosystems; b) provide food, medicines, ornaments, and cash, in the form of eco-tourism; c) create jobs in the wildlife sector; and d) enhance regional development. Since wildlife in the region has no border and since they are the local, regional and global assets, we all have great responsibility to protect these precious species. Even though wildlife used to be and still are one of the food and income generating sources in the region, they are presently seriously declining due to: a) wars, widespread poverty, endemic-epidemic hunger; b) unsustainable land-use activities in refugee settlements and resettlement schemes; c) mis-management of natural habitats, deforestation and extent of fires; and d) lack of a responsible traditional institutions/organisations and biodiversity conservation measures (Mengistu, 2005). Although attempts are made to help human refugees, neither local nor national nor international organisations have tried to protect wildlife from being destroyed along the conflict zone and during bush and forest fires occurrences. The New Agency with active participation of local

people and institutions, national and international organisations as well as the Horn of African Diaspora must introduce emergency wildlife protection measures.

Conclusion

The people in the Horn have suffered and will continue to suffer unless the root causes of hunger are addressed quickly and adequately. Through sustainable utilisation of the natural resources, water and energy based development (sufficient and adequate food production, income generation and livelihood) is possible. Such development requires human right and economic justice, proper methods and well thought out development strategies for balancing ecosystem resilience and human activities in the region. Besides, useful traditional and religious institutions have to be restored and various types of conflicts (between different political groups, natural resources and their users as well as between and among ethnic groups) in the region have to be resolved if poverty and hunger are to be banished. The author of this paper strongly believes that through the New Agency, responsive and responsible leaderships/good governance will emerge; individuals, national and international organisations together with opinion leaders, traditional and religious institutions, NGOs and Horn of African Diaspora would be attracted; and through the conservation of the environmental and economic support systems, through physical infrastructure, economic competence/market integration, political, social and economic security, respect, dignity and healthy relationships with others, the living conditions of the people would be improved within a short period of time in the region.

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PAPER 17
Community Governance of Common Pool Resource of Irrigation Water
The case of an Eritrean Village: Ghedged
Abraham Kiflemariam

Abstract

To address collective action problems in the governance of a common pool resource (CPR) either the State or Market intervention is prescribed. However, this study argues that closely-knit rural villagers can develop and enforce good governance and norms that help them achieve order This study discusses how non-literate peasants devise and apply their own institutions (rules, shared norms and codes of conduct) that address collective action problems. While non-literate peasants succeed to develop their own good governance, States in the Horn of Africa, fail to develop. So this paper tries to underline what States can learn from small village republics i.e. mini-states.

Key words: Governance, Common Pool resource, institutions, design principles

1. Introduction: What is Governance?

Recently the terms "governance" and "good governance" have become a fashionable catch phrases. Governance has become a hot topic as evidence mounts on the critical role it plays in determining societal well being. Not withstanding its widespread usage, there is no consensus on its essence, actors and their relative decision making powers.

Governance is a process whereby societies or organizations determine whom they involve in the decision-making; make their important decisions and how they implement and account for their decisions (Graham J. et. al). An analysis of governance focuses on the formal and informal actors involved in decision-making and implementing the decisions made and the formal and informal structures that have been set in place to arrive at and implement decisions. Governance is not all about government only. Government is only one of the actors in governrance. Other actors may include the private sector, civil society (including the voluntary or not-for-profit sector) the media, research institutes, religious institutions, political parties etc. However, the relative power of each varies from society to society and the boundaries of these actors are also permeable. In some societies the government's role might be very significant in others quite insignificant.

Graham J. et. al. (2003) State that in principle the concept of governance may be applied to any form of collective action. There are four areas where the concept of governance is particularly relevant.

Governance in 'global space' or global governance dealing with issues outside the purview of individual governments such as the Conservation on Biological diversity.
Governance in 'national space' or national governance operating at several levels: national, provincial, indigenous, urban or rural. In this connection, governance is the exercise of political, economic, and administrative authority in the management of a country's affairs at all levels.

Governance in 'organizational space' or organizational governance comprising the activities of organizations that pertain to a board of directors. Governance in 'community space' or community governance including the activities at a local level where the organizing body may not assume a legal form and where there may not be a formally constituted governing body.

This paper focuses on the community governance relating to natural resource-irrigation water- that plays a central role in the life of peasants. Land and water are both life –giving and life-sustaining environmental resources and their governance is critical.

2. Literature Review

2.1 Introduction: Institutional analysis of local resource governance

Essentially neo-classical economics treats human beings in isolation from each other. In its model of atomised, self-interested rational behaviour, the explicit consideration of social norms is ruled out. Social norms assumes the existence of a particular rules and the sensitivity of actors to their relative social standing. The individual is assumed to interact with others and to be sensitive to his relative social position, which is derived from the conformity to social norms. In other words, the individual is a 'social homo economicus' *who is influenced by an exogenously given social norm (Lindenberg 1990: 727).*

2.2 Four types of goods

On the basis of exclusion and subtract ability parameters, four kinds of goods can be provided namely private, public, toll goods and common pool resources. However, this is a broad category that contains considerable variations within them (V.Ostrom and Ostrom 1977 cited in Ostrom E. Roy Gardner, and James Walker 1994).

	Subtractability	
	Low	
High		*Difficulty*
Exclusion	*Public goods*	*Common-pool resources*
	Toll goods	*Private goods*

Easy

2.1.1 Private Goods. These goods are characterized by the relative ease of exclusion in an economic and legal sense and by high sub tractability. These categories of goods can be best analyzed using neoclassical theory of markets.
2.1.2 Public Goods. These goods are characterized by the relative difficulty of exclusion in an economic and legal sense but low subtractability. Public goods are the opposite of private goods in regard to both parameters.
2.1.3 Toll Goods (Club Goods). These goods are characterized by ease of exclusion as private goods and relative lack of subtractability as public goods.
2.1.4 Common Pool Resources. Excluding or limiting potential beneficiaries-appropriators- using a CPR is difficult. The difficulty of exclusion leads CPR being used by multiple appropriators who appropriate resource units from the resource stock. Example of CPR facilities and their resource units include floodwater as a resource system; the m^3 of water used is the resource unit.

It is the resource units from a CPR that are subtractable. When the resource has no natural regeneration (it is exhaustible resource) then any appropriation rate will eventually lead to exhaustion. However, when the resource has natural regeneration (it is renewable resource) then any appropriation rate that does not exceed the regeneration rate will not exhaust the resource stock.

2.3 Collective action problems in a CPR situation

2.3.1 Appropriation problems

Ostrom et al. (1990,1994) developed a general typology of CPR problems. The two broad types of problems are: appropriation problem and provision problems. While appropriation problems are concerned with the allocation of the flow; provision problems are concerned with the stock. Both problems are intertwined in natural settings. In CPR constructed by users, like an irrigation system, however, the system itself must be provided before it is appropriated. It is analytically useful to separate these classes of problems to underline their nature and to examine the rules that are in operation to reduce their severity.

Appropriation problems are problems related to allocation of a fixed quantity of resource units so as to avoid rent dissipation and to reduce uncertainty and conflict over the assignment of rights. Rent is dissipated when too many individuals are allowed to appropriate from the resource more than the economically optimal quantity of resource units or appropriators over invest in appropriation equipment (e.g. water pumps). Rent dissipation occurs whenever the marginal returns from an appropriation process are smaller than the marginal costs of appropriation.

2.3.2 Provision problems

Provision problems deal with the effects of various ways of assigning responsibility for building, restoring or maintaining the productive nature of the resource facility over time. Maintenance involves specifying the kind and level of regular maintenance that will sustain the resource system over time. Decisions on maintenance of capital infrastructure, which affect its future rate of deterioration, are difficult to make even for a single entrepreneur. The difficulty is compounded when dealing with an infrastructure, which is jointly used by many appropriators with free-riding incentives. If appropriators act independently, they can expect that less than an optimal effort will be devoted to the construction and particularly to the maintenance of the system because of free riding.

In general, the central problem in using CPR as Ostrom (1990: 29) cogently puts it is "how a group of principals who are in an interdependent situation can organise and govern themselves to obtain continuing joint benefits when all face temptations to free-ride, shrink or otherwise act opportunistically" One way to study self-organisation and self-governance in CPR is to use an institutional approach.

2.4 The nature of institution: as rules of a game
The focus of the study of institutional approach is that a depletable but non-excludable resource is appropriated by a number of actors who are assumed to form a relatively homogeneous group in terms of both their preferences and their problems. The issue they confront jointly is to devise

rules or codes of conduct that restrict the opportunistic behaviour of individual appropriators in such a way as to avoid the overuse and exhaustion of the common resource.

The way an institution is conceptualised is, however, essential to clarify ambiguities when embarking on analytical discussions. North (1990) describes institutions as 'human-imposed constraints on human behaviour'. They are different from organisations. North defines organisation as 'groups of individuals bound by some common purpose to achieve objectives'. North considers institutions as being rules of the game and organisations as being the players. In a similar vein, Young (1989a) argues that institutions are rules of the game or codes of conduct that define social practices, assigning roles to the participants in those practices and guiding interactions among the occupants of these roles. This conception accentuates distinction between institutions, on the one hand, and organisations treated as material entities possessing offices, personnel and budgets, on the other. This has led to a newly emerging interest in the idea of governance without government (Young 1989:33).

In the study of CPR arrangement, there is some level of optimism on the capacity of institutions to circumvent the 'tragedy of the commons' and to yield a sustainable human/natural resource relationship. The optimism perhaps emanates from designing specific and relevant 'rules of the game' that hit the nail squarely on the head.
Shepsle (1988) uses the parable of children playing a game in a park to make his point of institutional choice that takes into account situation specific features of the game. Consider a group of children who settled to play 'hide and seek' in a park filled with big rocks, dense bushes and groves of trees. The hide and seek game comes in a standard garden-variety form, with well-defined rules with which any child is familiar. But kids are known to alter the rules. Situation specific features- time of day, number of children, age distribution of children, topography, length of the play period- often suggest specific variations to that agreed upon in advance. Other variations that occur only when the play has commenced are either ultimately resolved in the specific instance and serve as a precedent for future games or lead to the disbanding of the play all together. The point here is to indicate that institutions as 'rules of the game' evolve from the specific realities under which they operate and try to solve the problems emanating when actually starting to play the game itself.

Ostrom emphases on the regularity and permanency of institutions. Imperial (1999) quoting Crawford and Ostrom states institutions as "enduring regularities of human action in situations structured by rules, norms, and shared strategies, as well as by the physical world. The rules, norms and shared strategies are constituted and reconstituted by human interaction in frequently occurring or repetitive situations" (Crawford and Ostrom 1995:582).

Institutional analysis is an attempt to examine a problem that a group of individuals face and how the rules they adopt address a problem(s). This requires an understanding of the nature of the problem; the nature of individuals (culture) and the institutional setting that the individuals are embedded within (Ostrom 1990: 55).

2.5 Design principles of long-surviving CPR institutions
In an endeavour to provide a basis for an explanation of the institutional robustness and sustainability across CPRs, Ostrom (1990) outlines seven design principles that characterise robust CPR institutions and an eighth principle which is used particularly in larger and more complex cases. By design principle she means- 'an essential element or condition that helps to account for the success of institutions in sustaining the CPRs and gaining the compliance of

generation after generation of appropriators to the rules in use' (Ostrom 1990:90). Ten years later in her article entitled "Collective Action and the Evolution of Social Norms" (2000) she claims that the design principles have been subjected to extensive empirical testing and except for minor modifications to express the design principle somewhat differently; no empirical study has challenged their validity (Ostrom 2000: 149). The seven design principles shall be used as a template with which the empirical results of the case study will be analysed.

A brief discussion of the principles follows

The first design principle is the presence of clear boundary rules. *Individuals or households who have rights to withdraw resource units must be clearly defined, as must the boundaries of the CPR itself. Unless the boundaries of the CPR are defined and unless those authorised to use are specified, appropriators face the risk that benefits that should accrue to them will be reaped by others who have not contributed to its provision. The presence of this principle enables appropriators to know who is in and who is out of the CPR so as to have an interest in co-ordinating patterns of appropriation and provision among them.*

The second design principle relates with the congruence between appropriation and provision rules and local conditions. *Rules-in-use are crafted, taking into account local conditions, that restrict the amount, timing and technology of harvesting the resource; and that allocate benefits proportional to required inputs in terms of labour, materials and/or money. If a group of users is going to harvest from a resource over the long run, they must devise rules related to how much, when and how to harvest and they need to assess the costs of operating the system. If some users get all the benefits and pay few of the costs, others become unwilling to follow the rules over time.*

The third principle is that most individuals affected by the CPR can participate in making and modifying their rules. *CPR institutions that use this principle are better able to tailor their rules to local circumstances because the individuals who directly interact with one another and with the physical world can make and modify the rules over time so as to better fit them to the specific characteristics of their setting. Bowles (1998) as quoted by Ostrom (2000) argues that fair rules of distribution help to build trusting relationships, since more individuals are willing to abide by these rules because they participated in their design and also because they meet shared concepts of fairness (Ostrom 2000:150). Since ex-ante commitment to follow rules (rule- setting) is quite different from ex-post following the rule (rule-using) in the midst of ex post opportunism, active investment in monitoring activities (rule-enforcing) and sanctioning activities (rule-adjudicating) are indispensable elements. However, as Taylor and Singleton (1992) observe, stable membership, continuing interaction and direct and multiplex relationships all make mutual monitoring easy and cheap. A community creates institutional roles and appoints people to monitor performances and to administer sanctions. But these appointees have to remain fully under the control of the members of the group; they have to be instructed by the group and they have to be readily dismissible by the group whenever their performance is found wanting (Taylor and Singleton 1992: 316). In this way it can avoid local despotism and foster local democracy.*

It follows from the foregoing arguments that the fourth design principle is that of selecting monitors, who are accountable to the users or are users themselves who keep an eye on resource conditions and user behaviour. *The community legitimates a position of a monitor. In some systems users rotate into this position so that everyone has a chance to be both a participant and a monitor at different times. Members of the community are assured that someone is generally*

checking on the conformance of others to local rules and their fear that others are not conforming to the rules is reduced or possibly eliminated altogether. Monitoring the actions of users is necessary but not, however, sufficient. Sanctioning must reinforce it.

The fifth design principle is an application of graduated sanctions to appropriators who violate operational rules. *They are assessed graduated sanctions depending on the seriousness and the context of the offence. The first sanction, which is low, needs to be considered more as information both to the person who is caught (which increases his confidence that others would also be caught) and to others in the community (which convinces the rule followers that it pays to conform to the dictates of the rule). A graduated punishment indicates that if some members break the rule repeatedly, the punishment gets ever higher. It casts a caution to the winds that rule infraction is a punishable act proportionate to its repetition and seriousness. To explain the investment in monitoring and sanctioning, Ostrom (1990) takes what Margaret Levi (1988) calls "quasi voluntary compliance" to describe the behaviour of taxpayers in systems where most taxpayers comply. Paying tax is voluntary in the sense that individuals choose to comply in many situations in which they are not being directly coerced. On the other hand, it is quasi-voluntary because the non-complaints are subject to coercion –if they are caught (Ostrom 1990:94). According to Ostrom (2000) individuals who think that a set of rules will be effective in producing higher joint benefits and that monitoring (including their own) will protect them against being a sucker are willing to undertake conditional co-operation. Once some users have made contingent self-commitment, they are then motivated to monitor other people's behaviour, at least from time to time. Conditional co-operation and mutual monitoring reinforce one another, especially in regimes where the rules are designed to reduce monitoring costs. Over time, further adherence to shared norms evolves and high levels of co-operation are achieved without the need to engage in every close and costly monitoring to enforce rule conformance (Ostrom: 2000:152).*

The sixth design principle deals with the conflict resolution mechanism. *It points to the importance of access to rapid, low-cost local arenas to resolve conflict among users or between users and officials. Rules are subject to different interpretation by different individuals if they are not clearly stated and commonly understood. Individuals who seek to subvert rules can find some way to claim that they comply with the rule while they subvert its intent. Hence there must be some mechanism for discussing and resolving what constitutes an infraction. Devising simple, local mechanism to get conflicts aired and resolutions passed can reduce the incidences of conflict.*

The last design principle relates with the recognition local appropriators get from external governmental authorities to devise their own rules. *The capacity of the local users to develop their own rules over time is affected by whether they have minimum recognition of the right to organise by a national or local government. According to Johnson and Libecap (1982) if external government officials presume that only they can make authoritative rules, then it is difficult for local users to sustain a self-organised regime.*

3. Empirical Study

3.1 Spate Irrigation: The case of Ghedged-Village profile
Ghedged, a village of approximately 670 households and 3515 individuals, is located on the Red Sea Coastal Plains. The Coastal Plains are relatively level areas that fall gradually from

approximately 300m ASL (above sea level) at the base of the Eastern Escarpment to the Red Sea coast. On the western side of the village lies the Eastern Escarpment. This consists of rugged hills and mountains rising from approximately 300 m ASL to over 2000m ASL (Halcrow: 1997, Widassie 1991, World Bank 1996). Using GPS (Global Positioning System) 12, Personal Navigator, Ghedged is located 15.46 N and 39.03 E.

The ethnic and linguistic group that occupies Ghedged and its environs is called *Tigre*. Seven clans[1] inhabit the village of Ghedged. Clan is an important social organization as it reflects an ideology of common descent. It is a genealogical reference where members trace their ancestral lines back to the common original father. There are seven irrigation blocks distributed among 1043 beneficiaries [2]. The average irrigated land holding size in Ghedged is about 0.57 hectares excluding non-irrigated land. As the interview with the peasants revealed, the land redistribution is not the exclusive mandate of the village land committee, the sub region office must endorse the decision taken by the land committee of the concerned village.

3.2 Spate water resource administration

Spate irrigation is a unique form of irrigation found in arid and semi-arid regions where seasonal heavy floods of a very short duration, are diverted into fields to grow deep rooting crops (FAO: 1987). In other words, spate irrigation is the use of short duration floods from mountainous catchment areas to irrigate low lying land where rainfall is insufficient to crop cultivation. It has been practiced for decades now at the alluvial plains of the Eastern Escarpment of Eritrea.

The Eastern Escarpments is one of the six main agro-ecological zones of Eritrea. According to FAO 1994; Government of Eritrea 1994,1995,1996,1998 this zone which is known as the Green Belt Zone encompasses numerous micro ecological zones that are determined by the interrelationships of altitude and rainfall. This ecological zone is the most humid region of the country. The mountainous landscape of this area traps winds carrying moisture coming from different directions. It is interesting to note that the most humid part of the country drains its water to one of the hottest part of the country. This area has desert like climate with a rainfall of less that 200mm/year. The amount of rainfall prevalent in Ghedged and the high evapotranspiration rate make farming without spate irrigation impossible. There are numerous dry riverbeds (wadis) that drain to the Red Sea originating from east facing escarpments. The wadi that irrigates Ghedged is called *Ruba* Ghirghir [3]

3.3 Ruba Ghirghir: a source of water and soil

The rain at the Eastern Escarpment forms surface run-offs; and it is collected in branchlike channel networks. These networks and sub-tributaries develop progressively into larger and larger valleys until they form one wadi i.e. *Ghirghir. Ruba Ghirghir* brings along water, stones and soils. The size of the floating debris and sediment load is almost proportional to the size of the flood and the distance it traveled. As the spate run-off is high and as it travels a long distance there is large amount of floating trash and sediment load. The size of the carried material ranges from fine particles to cobbles and to big boulders.

At the foot of the mountain where Ghirghir starts, there are big boulders strewn across the wadi bed. It flows without being divided into branches for about 1 km after which the first branch is formed to irrigate the largest irrigation block of Meteraselet. As the wadi moves down and as it forms branches, the material it carries along gets smaller and smaller. At the fields, one finds the

finest sediments forming deep layers of mud cake. According to the peasants, the deposition of a fine suspended material at the irrigation fields increases the soil fertility periodically.

3.4 Traditional diversion structure

At the upper reach, Ghirgir is directed or "diverted" to follow a designated watercourse. In the upper reach the wadi bed material is course gravel, cobbles and boulders. These wadi materials serve as solid base upon which acacia trees and branches are anchored. This irrigation infrastructure that involves building of structures on either side of the wadi stream to encourage the wadi to flow on a designated course is locally known as *Agim*.

Construction of this irrigation infrastructure is one of the most arduous and difficult activities. It involves searching, cutting and transporting acacia bushes, collecting big boulders and putting all together as a temporary structure.

When constructing structures at the main canal the peasant's strategy is not to control the seemingly uncontrollable and capricious spate, but it is only to create a system whereby they take advantage of some of its flowing water. The construction of Agim is designed in such a way that any discharge that exceeds the capacity of the Agim escapes through the permeable acacia anchored in the boulders. Thus instead of trying to control the spate, the peasants simply try to direct or deviate water while the structure built from acacia on the either side of the wadi serves as a spillway.

Following the construction of the main canal, irrigation water is diverted from the wadi into branches by means of temporary checks of boulders, tree branches and wadi bed material across part of the wadi bed. Each branch has its intake point at the bank of the wadi. The diversion structure at the wadi bed that intercepts a proportion of the spate and directs the spate into a branch canal is locally called *Mesga*[4.] The above stated branch canal conveys irrigation water until it is subdivided into smaller distributary channels called *Kifaf*.[5]

Apart from the construction of field bunds, which is the burden of a given peasant and his family, the common diversion structures are communal affairs. The question set in table 1 summarizes the opinion the respondents have about the conditions of the temporary diversion structures. Accordingly, while 84% responded that it is well maintained, 16% responded negatively.[6]

3.5 Access to and allocation of spate water resource

The spate water carried by Ruba Ghirghir is a common pool resource for all those peasants who have land rights adjoining the wadi. The fact that every eligible peasant household has a plot of land in the irrigation area means that every landholder has an interest in the spate irrigation. To have a stake in a common resource is a prerequisite to contribute money and labor for the sustenance of the same.

The demarcation of the irrigated land from the non-irrigated land and the distribution of irrigated land to every peasant are the first steps in the process of irrigation water distribution. This implies that every peasant has a stake in the irrigation management and his right of access to

spate irrigation water inheres to his right of access to irrigation land. Everyone who has right of irrigation land gets right of access to spate irrigation water.

3.6 Crop production under spate irrigation

Spate irrigation differs from other methods of irrigation in that the water is applied in very large quantities before the crop is planted. In Ghedged the bundied fields are flooded several times as many as floods are available during the months of June to September. Water as an absolutely scarce and vital agricultural input plays a significant role in boosting agricultural production and thereby improving the well being of the peasants.

The system of making use of spate flow for irrigation in an otherwise dry land depends on the existence of deep, highly moisture retentive type of soil. Spate soils raise the original soil level by the periodic deposition resulting eventually in deep soils. Peasants in Ghedged don't apply chemical or organic fertiliser because they believe that the silt deposits following each flooding meet the nutrient requirements of their crops.

The two main crops grown in Ghedged are Sorghum and Maize. These two crops are well adapted to growing on residual soil moisture. Depending on the moisture level of the soil, sorghum can be harvested three times. The first harvest from the planted crop is followed by the ratoon crop locally called Kelef. *Ratoon crop is expected to yield half of the first yield. The third harvest (*Kelef al Kelef*), however, is basically used as a fodder for animals. When soil moisture level is good and there is no pest infestation and diseases, the sorghum yield is estimated by the peasants to be in the order of 20 quintals per hectare from the first harvest. Half of the first harvest can be obtained from the second harvest bringing the total to 30 quintals per hectare. Maize yield is estimated at 25 quintals per hectare. However, there is no second harvest for Maize. The yield level as impressive as it is, it is based on a "good year" scenario, which has often been difficult to come by. In the process of producing sorghum and maize there are a number of agricultural constraints. Eight constraints were presented and the peasants were required to prioritise them. The list of the agricultural constraints was:*
Insufficient rainfall in the catchment area
Absence of permanent diversion structures
Lack of draught animals
Absence of tractors
Constraints of access to markets
Small and widely scattered plots of land
Shortage of land and
Land tenure constraint.

3.7 Irrigation organisation and management
All water right holders are organized into seven irrigation blocks. The number of peasants included in each irrigation block varies from 243 at the irrigation block of Meteraselet to 80 peasants at the irrigation block of Hasama. In an irrigation context that demands construction of temporary diversion structures with the possibility of being destroyed by floods and with uncertain irrigation water rights, the establishment of irrigation (sub) groups and the configuration of authority and responsibility relationships are essential.

The structure of the irrigation management system results in an organizational pyramid. At the lowest management level we find the head of a group of peasants. This group of peasants located

at the base of the organizational hierarchy is called *Teshkil.* One step up in the hierarchy is the office of the head of many *Teshkils* called a *Barta.* A *Barta* leader is the highest authority in an irrigation block. All peasant households possessing irrigation water rights and forming the seven irrigation blocks of Ghedged are grouped into 20 *teshkil.* Hence there are 20 *teshkil* leaders. The groups of *teshkil* are further re-grouped into five *bartas.* A *barta* represents one or more than one irrigation block. The seven irrigation blocks in Ghedged are organised under five *bartas.* Above these two positions of *teshkil* and *barta* however, there is the village level farming committee that embraces all irrigation blocks in the village. [7]

3.8 Communal labour resource mobilisation

The inherent uncertainty of the spate irrigation system in terms of its availability, volume, timing and intensity demands a lot of team spirit, collective responsibility and solidarity. These conditions influence the peasants to organize themselves in such a way that they are capable of building, on a continuous basis, the temporary diversion structures so as to irrigate their fields. The construction of temporary diversion structures is time-consuming and very demanding in terms of both animal and human labor. By working together in this way through generations, the peasants have built up a lot of solidarity; each peasant knows exactly what to do, when to do and how to do given the existing modus operandi of constructing the irrigation infrastructure. When anything gets wrong the opportunity cost is so high that the maintenance work gets underway immediately.

The irrigation infrastructure is labor intensive. It requires a lot of animal and human power in its construction and maintenance. The intensive-intensive infrastructure fits the factor of production-intensive- that the peasants are able to provide.

All communal construction and maintenance work at the main diversion structure is undertaken on equal contribution basis. At the field level however it is prorated according to the size of land holding. Each peasant works the water channel that passes through his plot of land. The successive construction and maintenance work is done within specific time, where every eligible member is required to participate at that particular time.

3.9 Labour contribution and water distribution rules

The complex, uncertain and interdependent spate irrigation system may induce peasants to behave opportunistically. However, such behavior is an exception rather than the rule in Ghedged. The peasants have developed over decades a sense of local shared norms of behavior. Besides the social means of enforcing the norms, however, there is a financial punishment designed to deter opportunistic actions.[8]

From all the norms that govern the behavior of peasants, some have been developed and crystallized into written working rules. The working rules have been imprinted in the memories of the peasants. Lately the office of local government in Shieb has just written it and informed itself of the rules and regulations. The rules forbid some actions and require some other actions from irrigation members. These rules have been devised and modified over time and directly affect the day-to-day actions and decisions of peasants. Moreover, these rules specify what sanctions will be assigned to different actions. The shrinking from fulfilling one's obligation is seriously observed as the following table 7.19 indicates. Only 4% of the respondents stated that

the tolerance level for free riding is not strict. The remaining 96% indicated that the tolerance level is very strict and somehow strict. [9]

Some of intensive contribution and water distribution rules is:

Any peasant, who has not cleared and ploughed his plot of land up to June, he shall pay 30 Nfa for the first time. If he does not work his fields after being punished and because of his inaction any adverse effect is experienced at other fields, then he is deprived his use right.
Any peasant, who is ordered to work in the construction of *Agim*, using his draught animals or his own intensive and if he does not work, he shall pay a fine, prevalent at the time, and deposit it to the village account as a village revenue.
Any peasant who breaches *Mesga* leading to an irrigation block shall pay 120 Nfa and then he is required to maintain it or pay its equivalent in money. Any peasant who does not construct a field canal shall pay 30 Nfa.

Any peasant, who is ordered to work in the construction of internal *Kifaf*, and if he fails to work, he shall pay 30 Nfa. Then he is required to work it or to pay its equivalent in cash.
Any peasant, who is ordered to work in the construction of external *Kifaf*, and if he fails to work, he shall pay 60 Nfa and then he is required to maintain it or to pay its equivalent in cash.

Any peasant who does not open the gate between the fields is required to pay 30 Nfa.
Apart from the above rules, there are other rules that relate to the protection of the farmland from intrusion of unattended animals:
If a camel enters a farm land, the owner of the camel pays 5 Nfa per day or night
If a cattle, a donkey enters a farmland; the owner of the cattle and the donkey pays 1Nfa per day each whereas the owner of a sheep/goat pays 0.50 Nfa per day.
Any one who prevents the enforcement of these rules shall pay 60 Nfa.

Source: Shieb sub-region farming rules 1996 written in Tigrigna. *(Researcher's interpretation from Tigrinya Memo).*

Water stealing comprises basically two forms: diverting a branch canal leading to ones plot of land and breaching the field bund to irrigate ones field located down stream. The third type of water related problem is the construction of a high field bund to store more water in ones field. There is a written rule relating to the first two and the rule explicitly specifies punishment for non-observance. As far as the third problem is concerned there is no written rule. Their norm is that fields located at the head end must not have high field embankments. The nearer the field to the main water channels the lower the height of field embankments should be. The overall level of rule conformance according to table 6 is as high as 87%. [10]

4. Application of the design principles

In an effort to establish a basis for an explanation of institutional robustness and sustainability of common pool resources some design principles have been discussed. Now let's outline the principles as a framework and apply them to the cases.
4.1 defined boundary.

This principle specifies the individuals or households eligible to withdraw resource units from a clearly defined common pool resource. The eligibility criterion makes it open to some but closed

to others and in so doing it limits the number of cultivators who can have access rights. In the process of governing land and water resource, the resource management regime may change these eligibility criteria overtime. The boundary rules are:

fulfilment of national service
village residency
ethnic or village membership by origin (establishing a descent with the founding father of the village or ethnicity)
Marriage. If one fulfils these requirements he is entitled access to irrigation land on which the right to irrigation water inheres.

Congruency between appropriation and provision rules

These rules confer appropriation rights and provision duties. They attempt to design water allocation procedures and specify provision inputs in terms of labour, material and /or money. In the case study the first step in allocating water is the specification of the area that can be irrigated from the source of water. The prior specification of irrigation area minimises the problem of having more land than the water source can support. Access to a plot of land is accomplished by drawing lots. This helps to avoid assignment problems. Peasants would have competed for the best plots of land if there had not been a system to assign peasants to different plots of land. Besides the location rule, there is also a size rule that defines the size of plot of land a peasant can hold.

After a plot of land is assigned in the above manner, water allocation follows fixed orders. Once a peasant takes his turn, there is neither a fixed time nor a fixed amount of irrigation water to apply. The bund is the limit to the amount of water that a peasant can apply. In spate irrigation the water supply is irregular hence peasants expect to take part of the floodwaters by preparing the watercourses and field bunds. To sum up, water allocation procedure involves:

Specifying the irrigated land
Assigning irrigable land by lottery (location rule and size rule)
Rotating irrigable land among eligible
Allocating water by fixed orders.

The appropriation rights have corresponding provision duties. Each eligible member has to contribute labour and/or money required for the construction and maintenance of irrigation infrastructure. Any eligible member, who fails to appear in the communal work, is required to pay a fine corresponding to the daily wage of a labourer. However, the labour input is preferred to financial contribution.

Collective choice arrangements
The peasants have crafted their own rules that take into account the socio-economic and physical conditions of their irrigation systems. The rules that govern the use of a commonly used communal resource evolved over time. They are designed to order joint use resources and the problems that emerge there from. Since the local rules are incorporated with full participation of the peasants, they are based on local knowledge that reflects the socio-institutional and physical attributes of the environment. Some of these rules include:
Boundary rules establish admission criteria that one must fulfil before appropriating land and water resource.
Authority rules specify the day-to-day operational rules once a peasant fulfils admission criteria.

Scope rules relate with the prerogatives at the disposal of the resource user. Once a peasant gets a plot of land, that land is put at the full service of him except that he cannot sell it.
Position rules specify the authority of the, water administrators, teshkil and barta leaders, etc. The position holders are mandated to perform activities within the scope of the position and others replace them.

Monitoring

As such an advance rule setting does not guarantee subsequent rule compliance. In Ghedged the teshkil and barta leaders act as administrators of the overall irrigation system. Holding this position is an obligation of each villager that one cannot escape and no privilege is attached to it. Perhaps the rotating and the short duration of the position act as incentives for the monitors to do their level best at their turns. In a closely-knit community that shared its past and shall share its future, saving one's good reputation among peers is a potent deterrent factor worth serious consideration.

Monitors don't keep written records (as most of them are nonliterate) of rule violation and hence it is not possible to figure out rule infraction frequencies. But all claim that rule violation is negligible. The fact that monitors are entrusted with wide ranging mandate, and the absence of significant rule breaking indicates that the peasants monitor each other and at the same time practice self-discipline out of the respect of the rules. Thus the presence of monitors is not sufficient to explain for the high level of rule conformance.

Sanctioning

If rule infraction is not sanctioned, rules fail to guide behaviour. Rule serves no purpose if it is not applied to those who don't respect it. Moreover, those who confirm to the rule are considered as suckers, if the rule violators are not sanctioned. The irrigation rules of Ghedged do not only state a punishable act but also indicate clearly the fine associated with each violation of the rule. In some instances the irrigation rules specify the liability for the consequences of the act if the act has a grave impact on a third party. The gravity of the sanctions depends on the severity of the act. The most severe fine (dispossessing one's plot of land) is imposed on a peasant who fails to plough and clear his plot of land and as a result of his inaction affects other peasants negatively. The simplest fine is the payment of 0.50 Nacfa for the damage wrought to crops from one's unattended goats or sheep. This payment is implemented universally and seriously, however, the most severe punishment is put there more for its symbolic deterrent value rather than its practical value because it has never been applied as far as the peasants in Ghedged remember. It is important to note here that the force of normative rules of the community enforces sanctioning.

Conflict resolution mechanism

An irrigation dispute resolution is epiphenomenal to pre-existing dispute resolution mechanisms and there is no distinct conflict resolution exclusively for irrigation. Thus conflict arising in the conduct of irrigation is resolved within the framework of a multipurpose local conflict resolution mechanism.

Toleration is the first and common response of an aggrieved irrigator in view of being people who are close to each other in many respects including familial and residential affiliations.

However the use of the customary peaceful way does not exclude completely a physical fight as a way of redressing ones grievance. Some people resort to a physical fight as an alternative. More often a physical fight takes place between adversaries of equal stature, age etc. Following the fight, people around the fighting scene separate the adversaries and urge them to friendly pacification. Perhaps, physical fight is sometimes considered as a manifestation of ones manhood meant to teach a permanent lesson to the adversary. Occasional physical fights have been reported. But all the interviewed peasants think too little of it and try to ignore it as a very negligible episode in the process of irrigation.

The indigenous conflict resolution mechanism capitalises on handling a grievance by a non-partisan third party. This involves an establishment of mediators who acts as brokers, helping the adversaries resolve their conflict. In choosing the mediators, kinship ties to either party are seriously considered; a mediator cannot be a close relative of either party. According to the villagers this method of resolving a conflict among villagers is more effective, fair and cheap. If any party appeals to higher levels, the villagers believe that the conflict gets complicated, takes time, and inflicts discord among disputants for a long time.

Minimal recognition of rights to organise

Both the Ministry of Agriculture and the Ministry of Local government at local levels recognise that the irrigators have their own local rules that govern irrigation activities. The local people devise extensive rules that specify the financial and labour contributions to irrigation infrastructure, execute water turns, appoint their own irrigation leader and organise a general meetings to discuss matters of irrigation. External government officials intervene mostly when the irrigation issue involves two villages. Even this intervention is made at the demand of either or both villagers. The external government officials try to appoint mediators who can help the villagers find their own solutions. The irrigation institution in the three cases has witnessed changes of government regimes and it survived for years through the thick and thins.

4.8 Conclusion

Irrigation water in Eritrea is a very scarce resource and an essential source of livelihood for peasants. Aspects of good governance such as transparency, accountability, rule of law are reflected in the management of their common resources. Governments of the Horn of Africa can learn lessons from village republics.

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Endnotes:

[1]Seven clans namely *Meshalit, Addi Sheik Mahmud, Asfeda, Bet Adkeme, Agdub, Waira and Rigbat* inhabit the village of Ghedged. These clans do not only live in Ghedged but one may find them at the neighboring villages of *Shebah, Metkel Abiet, Adi shuma, Gimhot, Ailet, Wekiro, Wed labka, and Emberemi.*

[2]At present, the irrigation blocks of Ghedged are located in seven different places.

Table 1: Irrigation blocks

S.N.	Name of Irrigation Block.	Number of Beneficiaries	Present Irrigated Area (in hectares)
1.	Meteraselet	243	147.8
2.	Astenai	240	137.5
3.	Adraka	150	87.5
4.	Zerit	120	75.63

5.	*Debret*	*110*	*40.63*
6.	*Kebirsamra*	*100*	59.38
7	*Hasama*	*80*	43.75
	Total	*1043*	*592.19*

[3] It rises approximately from the Eastern Escarpment of Sabur, Mrara and Filfil. These places are located at 1660, 1620 and 1760 meters above sea level respectively (Wudasie 1991). The upper courses of *Ruba Ghirghir* are small gorges and valleys converging into bigger and bigger tributaries as they descend towards the convergence points. Near the foot of the series of mountains and hills, all the sub-tributaries converge into three bigger tributaries named from south to north as *Ruba Filfil, Ruba Menteble and Ruba Ere'ero*. In terms of size, *Ruba Filfil* is the largest one followed by *Ruba Ere'ero* and *Ruba Menteble*. These three tributaries converge at *Jelwet*, the lowest point of the mountain ranges, to form *Ruba Ghirghir*.

[4] The word Mesga is often followed by the name of the irrigation block it intends to irrigate. Thus there are seven *Mesgas* at different points along the wadi Ghirgir that lead to the seven irrigation blocks. Starting from the head end to the tail end the irrigation blocks are located as follows: *Meteraselet, Adraka, Zerit, Hasama, Debret, Kebrsamra and Astenai*. It is evident that *Mesga* cannot withstand heavy floods and it can be washed away or overtopped. Although this can be rebuilt relatively easily before next spate season starts, it is difficult to construct it easily at the middle of the spate season.

[5] This watercourse can either be an external or an internal *Kifaf*. The internal *Kifaf* is located within sub-blocks of irrigation fields but the external *Kifaf* is located at the boundary of an irrigation block. If the external *Kifaf* is breached then the water escapes and joins the wadi without irrigating the fields. A *Kifaf* is an earth embankment of the local soil scooped out upwards sometimes up to five meters in height. The height of the embankment of the water channel primarily depends on the relative slope of the area under consideration. If the ground is flat then the water easily moves to the fields without high embankment however, if the ground is relatively steep then a high embankment is needed.

[6]Table 2 overall do you think that the temporary diversion structures are maintained periodically?

Response Category	Number of Respondents	Relative frequency
Yes	97	84
No	18	16
Total	115	100%

Source: Survey data

<superscript>7</superscript>Table 3 shows the organizational structure of the irrigation system in Ghedged.

[7]Table 3 shows the organizational structure of the irrigation system in Ghedged.

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                    ┌─────────┐
                    │         │
                    └─────────┘
          ┌────────────┴────────────┐
   ┌────┐ ┌────┐   ┌────┐ ┌────┐   ┌────┐
   │ B1 │ │ B2 │   │ B3 │ │ B4 │   │ B5 │
   └────┘ └────┘   └────┘ └────┘   └────┘

T1 T2 T3  T4 T5  T6 T7 T8 T9 T10 T11 T12 T13 T14 T15 T16 T17 T18 T19 T20
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Where: FC indicates farming committee
          B1-B5 indicates five Bartas
          T1-T20 indicates twenty Teshkils
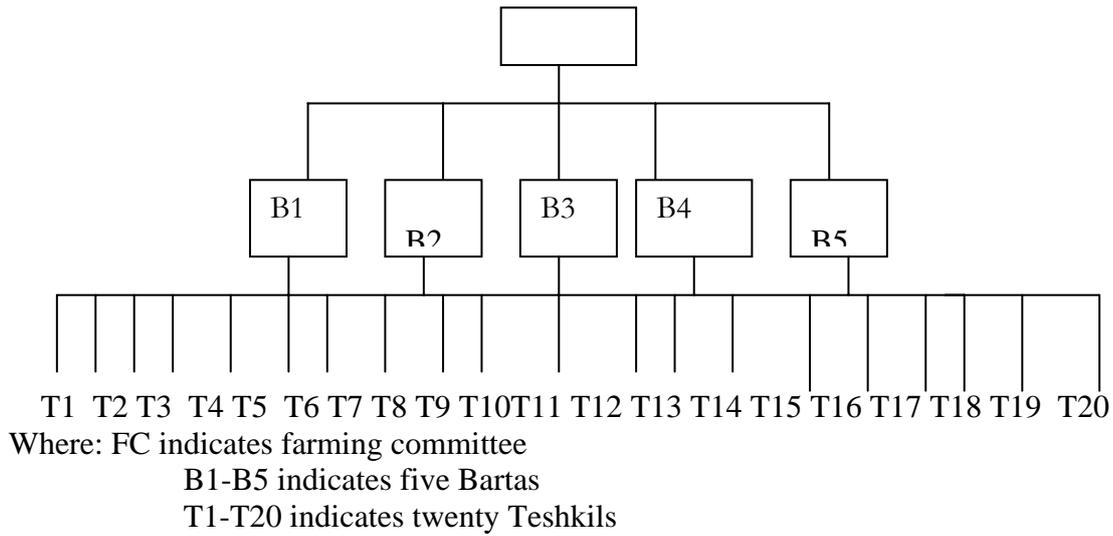
[8]Table 4 what are the forms of penalty for rule breaking?

Response category	Number of respondents	Relative frequency
Financial	94	82
Social	7	6
Both	14	12
Total	115	100%

Source: Survey data

[9]Table 5 what is the tolerance level for free riding?

Response category	Number of Respondents	Relative frequency
Very strict	81	70
Somehow strict	30	26
Not strict	4	4
Total	115	100%

Source: Survey data

[10] Table 6 overall do you think that irrigators observe irrigation rules?

Response Category	Number of Respondents	Relative frequency
Yes	100	87
No	15	13
Total	115	100%

Source: Survey data

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DIASPORAS-INDUCED DEVELOPMENT?
Remittances and Poverty Reduction in Somalia
Abdi Jama Ghedi

1. Overviiew

The history of migration is that of people's struggle to survive and to prosper, to escape insecurity and poverty, and to move in response to opportunity. Migration is not a panacea for development problems, but properly managed it can deliver major benefits in terms of developmentandpoverty reduction.

A growing body of evidence indicates that the size and density of social networks and institutions, and the nature of interpersonal interactions, significantly affect the efficiency and sustainability of development programs. The social capital of a society includes the institutions, the relationships, the attitudes and values that govern interactions among people and contribute to economic and social development. Social capital was measured by membership in groups and networks and by levels of trust. Peggy Levitt defines "social remittances" as "the ideas, behaviours, identities and social capital that flow from receiving country to sending country communities."

The costs and benefits of migration are distributed, unevenly, between and within countries and social groups. The balance and distribution of costs and benefits depends upon the nature of the migration in question, and on the links which migration establishes between places of origin and destination. This report shows how governments and others could - by shaping the nature of migration and the distribution of its costs and benefits - make migration work for the poor. But first it is necessary to deal with some of the myths which surround the subject.

2. Problem

Development processes affect and are affected by migration flows. The relationship between migration and development has been described as 'unre-solved' and 'unsettled' in earlier research (Appleyard 1992, Papademetriou 1991). These labels point to the complexity of the dynamics involved, but should not be understood to mean that there is a systematic link waiting to be discovered. New research is contributing to our understanding of specific mechanisms and policy options, but the migration-development nexus will remain complex.

The effects of remittances on development are often complex and contradictory, but seen in a positive light by the majority of analysts. In a handful of developing countries, remittances from emigrants account for more than 10 per cent of GDP. Remittances are of high importance to the national economy of eleven of Norad's 25 partner countries, and of considerable importance in another eight countries.

International migration, the movement of people across international boundaries, has enormous economic, social, and cultural implications in both origin and destination countries. It is estimated that some 180 million people (3 percent of the world's population) are living in countries in which they were not born (United Nations 2002). Among these are millions of highly educated people who moved to developed countries from developing countries that already suffer from low levels of human capital and skilled workers.1 Furthermore, the flow of formal remittances from migrants to their relatives in their country of birth has exhibited a rapid and accelerating rate of growth. The remittance flow has doubled in the last decade, reaching $216 billion in 2004, with $150 billion going to developing countries (Ratha 2005).

Yet our knowledge of the economic effects of migration, especially its impact on economic development, is rather limited. Although considerable effort has been made by economists and sociologists in developed countries to analyze the effects of migration in destination countries, comparatively little research has been conducted on the effects of migration on countries of origin and on development in general.

There are five myths relating with migration and development:
Myth 1: Migration and migrants are problems to be dealt with.
Wrong. First, migration presents both challenges and opportunities. In their determination to deal with the challenges, governments must not miss the opportunities. Second, migrants are not problems. They are people trying to improve their lives and must be treated accordingly.

Myth 2: There is a "tidal wave" of migrants about to crash our shores.
Wrong. Migration is hugely important – economically and politically – because of the links it establishes between countries. But migration remains the exception rather than the rule. International migration has increased over the past 40 years, but still only 2.9 percent of the world's population are international migrants.

Myth 3: Migration is primarily about people moving from developing countries to developed countries. Wrong. Most migration takes place within and between developing countries. Fully 40 percent of international migrants move between poor countries, and the number of migrants who stay in their own country far exceeds that of international migrants. To compare: there are 175 million international migrants; India has 200 million internal migrants; China has 120 million. As regards refugees, two-thirds live in developing countries and more than a third live in the least-developed countries.

Myth 4: It is the poorest, most desperate people, who migrate.
Wrong. The poorest people often lack the resources to migrate. If they do migrate, they are likely to move locally. This has major implications for policy. First, it cannot be simply assumed that policies to help migrants - particularly international migrants - will also help the poorest people. Second, migration will not be stemmed by lifting people out of poverty. Nevertheless, improvements to governance in developing countries can reduce the motivation to leave, and - by encouraging remittances and return - can make that migration which does occur more development-friendly.

Myth 5: Migration harms the prospects of developing countries by causing a "brain-drain". Not necessarily. Migration can lead to a "brain-drain" which harms the prospects of developing countries, but whether it does depends upon the nature of migration and the links it establishes

between host and home countries. Flows of remittances and other resources, and the return of migrants with new skills, can offset the loss of migrants and may even change the balance.

Global flows of aid amount to $68.5 billion per year. The United Nations estimates that the Millennium Development Goals could be met if aid were increased to $100 billion per year. A slight relaxation of restrictions on the movement of workers – increasing the proportion of migrants in the workforce of developed countries to 3 percent – would deliver global gains of perhaps $150 billion per year. Remittances sent home by international migrants through official channels currently amount to $93 billion per year; with informal transfers included, remittances are likely to amount to around $300 billion per year. Migration delivers massive economic gains, which could be used for poverty reduction (IOM, 2004).

For many African households and nations remittances are a tremendously important source of finance and foreign exchange, helping to stabilize irregular incomes and to build human and social capital. Remittance receivers are typically better off than their peers who lack this source of income. At the national level, remittances have a substantial effect on the balance of payments and on foreign exchange revenues. Yet remittance flows for Africa are heavily underreported and, to date, remain in the backwaters of academic study. Fewer than two-thirds of African countries (and only one-third of Sub-Saharan countries) report remittance data.

This preliminary analysis of migrant remittances in Africa is based on a review of widely dispersed data and documentation. Its purpose is to stimulate and inform discussions of the role remittances play in African economies and to help stakeholders design appropriate policy interventions. By exploring the actual and potential links between migration, development and remittances, we identify obstacles that limit the potential for greater contributions.

3. Analytical Framework

Migration and development as linked entities is not a new phenomenon, yet had not found a clear expression in public policy making. Issues surrounding remittances and "brain drain" had often been discussed separately. The aim is to positively imbue migration and enhance the understanding of it as a positive development tool. migration could be used to achieve the Millennium Goals as outlined by UN Secretary General, Kofi Annan. Remittances by migrants living abroad to their families at home were in some cases (Mexico) four times that of Official Development Aid (ODA) flowing into the country.

Within migration studies, interest in the social networks of migrants and especially the role they play in migration, has long existed. There has also been some literature on the money transfer activities of migrants, but as Van Hear (2002) points out, whereas the movement of people has been well studied, movements of money and information have been studied rather less. It is with the development of transnational studies that the flows between transnational migrants and their home countries, as well as their relatives and fellow countrymen in other places, have been put on the research agenda.

Devesh Kapur and John McHale (2004) in their new book "Give Us Your Best and Brightest" evaluates both the issues of "brain drain" and "brain gain" to determine the effects that skilled migration has on sending countries. They discuss the role of the *prospect channel*, which the option of migration creates, to obtain higher education. The *absence channel* focuses on the effects on those remaining behind when much of the skilled labor leaves a country, creating a

vacuum of talent and potential institution-builders. The role of *diasporas* is also salient in considering the effect of remittances sent back to poor countries resulting from large segments of their population living abroad. The *return channel* looks at how the return of wealthier, more educated, and better-connected immigrants to their country of origin can positively benefit their home communities.

Succinctly and lucidly written, this book offers an accessible report of the very complex issue of global migration and its linkage with development. It also suggests new policy options for rich and poor countries alike to consider, so that the benefits of international migration are more equally shared with the developing world.

There was an increased trend toward the mobilization of immigrant communities in host countries to assist one another, but also the developments in their countries of origin. The Diaspora could brought three crucial advantages to the development equation:
1.Human capital
2.Financial capital
3.Social capital (contacts between businesses in host/sending countries; offshoring, networking, etc.).

The World Bank was increasingly studying the impact of migration for four essential reasons:
1.The enormous effect that migration can have on poverty reduction.
2.The effect of increased labour mobility on development efforts.
3.The likely rise in migratory flows in the coming years and decades.
4.The pressure on the Bank to take action from their shareholders.
The World Bank had thus turned to examining migration also in context with labour mobility with respect to trade in services under Mode 4 of the GATS.

While 175 million people were now living in countries other than the one's they were born in (citing data from 2000), this was 'only'3% of the world's population, which in turn was almost the same figure as migration in the 1960s. At the same time, though , Europe had seen a 16% rise in its migrant numbers in the recent years. Income disparities between North and South were likely to increase these migratory flows. Remittance flows had risen to $93 billion in 2003, up by 14%. The figure had trebled from 1990. He agreed with Ms Usher that remittances were the most stable form of foreign exchange than other capital flows and that most of these payments flowed to the world's poorest countries (World Bank, 2003).

A range of informal money transfer systems (IMTS) are in use in several parts of the world. The hawala system (remittances), one type of IMTS, is an informal channel for transferring funds between locations through the use of hawala service providers. While hawala transactions are most often initiated by migrant workers in developed countries, they also involve the transfer of funds from developing countries to developed countries, often for the purpose of trade.

What has raised current interest in remittances?

. The *rapidly growing volume* of migrant remittances to developing countries
. The *increase in migration from developing to developed countries*, fueled by economic opportunity and facilitated by affordable international travel

˙ Stepped-up efforts to prevent money laundering and terrorist financing in the wake of the September 11 attack on the United States—with channels used for money transfers coming to be seen as risky

˙ The role of *integrated financial systems, financial deepening,* and *pro-poor financial services* , which development agencies believe to be important for growth and sustainable development in developing countries

˙ The potential of money transfer systems, such as those required for transmission of migrant remittances, to contribute to a well functioning and integrated financial sector

˙ Growing interest in the *developmental effects and potential of migrant remittances.*

4. Remittances and Poverty Reduction
Remittances, or the funds that transnational migrants send to their relatives, are essential in the livelihoods of many. A number of studies have shown the importance of the economic remittances.
sent by migrants for non-migrant community members (see e.g. Levitt 1998: 944). Although research on remittance sending patterns amongst refugees is still scarce, studies on other migrants also provide insight into the potentials and pitfalls of remittance sending for the Somali. Family networks across political and economic borders provide the possibility for individual survival and at times social mobility in contexts of vulnerability and subordination (Glick Schiller et al. 1995: 54). Households can be seen as sets of relationships and transactions, rather than physical entities. Though the nature and content of the transactions are constantly changing, transactions between kin and continuing notions of obligation remain of central importance (Gardner 1995).

Registered global remittances to developing countries rose from USD 88 billion in 2002 to an estimated 93 billion in 2003. Developing countries in total re-ceive one-and-a-half times more money as registered remittances than they do as official development assistance. Remittances from migrant workers are an increasingly important and highly stable source of external finance for many developing countries (Ratha 2003). But remittances to Africa, particularly Sub-Saharan Africa, have received little attention, partly because *officially recorded* flows are relatively low. Africa as a whole accounted for about 15 percent of total remittances to developing countries in 2002 ($80 billion); the countries of Sub-Saharan Africa received just one third of the African total.

What Are the Effects of Migration and Remittances On Income, Poverty, and Inequality?
(see also Table 1: Summary of Key Impacts of Remittances on Poverty at Different Levels, Appendix).

The most important development effect of migration is its direct impact on income and poverty levels in the source countries. It has recently been estimated that increasing immigration to OECD countries by the equivalent of just 3 percent of their labor forces would generate gains that are larger than those obtained from global trade liberalization (Walmsley and Winters forthcoming; World Bank forthcoming). The gains arise mainly from the mobility of less-skilled workers, rather than from more-skilled workers, and accrue to (a) the migrants themselves, (b) to consumers and complementary factors of production (capital, land, and labor, other than the mobile type) in the recipient countries, and (c) to remittance recipients and labor in the sending country.

The review has centred mainly on the literature that has appeared since the late 1990s. This is mainly to ensure that as much of the contemporary debate as possible is captured. Four features characterise the literature on remittances and poverty. Firstly, there is scant literature addressing methods and techniques of assessing the impact of remittances on poverty. There is no generic body of theory that encapsulates assessment of such impacts. Stark (1991) and Russell (1996) have noted the emergence of ideas coalescing around what he terms new economics of labour migration since the1980s.

Secondly, because of the multi-disciplinary nature of remittance studies, and the multifarious nature of the impacts, methodological pluralism is a key feature of the empirical work investigating remittances. Apart from initial attempts by Stark (1986) and more recently by Chami, et al (2003) no unifying framework has been suggested for examining the impacts of migration, remittances on poverty. A third observation is that, empirical studies on the impact of remittances on poverty have tended to be narrowly defined to formally transmitted monetary assets rather than physical and social assets (Gammeltoft, 2002).

There is increasing evidence to show that remittances are much more than pecuniary assets (Rodriguez, 1996; Clark and Drinkwater, 2001; Ballard, 2002; Orozco, 2002) and that official remittances comprise less than half of the total transfers (Choucri, 1986; Russell, 1996; Puri and Ritzema, 1999; Bracking; 2003). The implication of this for developing a framework to assess the impact of remittances on poverty, is that additional attention still needs to be paid to these often neglected areas of remittances, that is, informal and non-monetary forms of remittance transfers that also impact on poverty. Lastly, the bulk of the literature looks at voluntary remittances although there is increasing realisation of the importance of involuntary remittances (see for example: Sparreboom and Sparreboom-Burger, 1996; Taylor et al, 1996; Dostie and Vencatachellum, 2002).

Any discussion on remittances is generally prefaced by an analysis of the motivation to migrate and remit assets. We consider this in the next section before looking at the emerging discourses on the impact of remittances on poverty.
The Motivation to Remit and Uses of Remittances
Three schools of thought on the motivation to remit are reflected in the literature. We have characterised these as: the risk-sharing'; altruism or livelihoods; and, risk sharing with altruism schools.

Remittances to Africa are a major source of foreign currency for low income. The World Bank's Report "Global Development Finance 2005 : Mobilising Finance and Managing Vulnerability" notes that remittances to developing countries increased by US $10 billion (8 percent) in 2004, reaching a total of US $126 billion. Remittances to many smaller states form a significant share of that country's GDP. The Report further found that 15 percent (US $80 billion) of all remittances sent to developing countries in 2002 went to African countries, which represented 1.3 percent of GDP in sub-Saharan Africa and 2.2 percentof GDP for the Middle East and North Africa.

Migrant remittance flows to developing countries now surpass official development aid receipts in many developing countries (Ratha, 2003). In 2001 official development finance transfers to developing countries was aboutUS$57 billion (OECD, 2003). This compares with recorded global remittances of US$72.3 billion the same year (up from US$34 billion in 1990) (World Bank, 2003). The recorded and official remittance figure represents only half the real total. At

least as much is transmitted through informal and unrecorded channels which make it impossible to measure the precise amount.

It is also widely acknowledged that officially recorded remittances are only part of actual overseas savings (potential remittances) of migrant workers (Clarke and Drinkwater, 2001; Hadi, 1996). Only a fraction of the unrecorded remittances represent pure leakages and the largest part is remitted through informal channels in order to finance domestic consumption, investment and foreign trade transactions in the migrants' country of origin (DeSipo, 1997). Further, available data focus on pecuniary assets only, yet we now know that the transfers also include goods and other social transmissions (Bracking; 2003; Osili, 2002; Leon-Ledesma and Piracha, 2001; Puri and Ritzema, 1999; Levitt, 1996; Russell, 1996; Choucri, 1986).

Importantly, almost all research unanimously agrees that the hawala system (remittances) "provides a fast and cost effective method for the worldwide remittance of money, particularly for low income groups who may be out of the reach of the formal financial sector or who transfer relatively small sums that are often subject to prohibitively high charges at conventional financial institutions" (Buencamino & Gorbunov, 2002).
In the following section, we consider the emerging global trend toward informal money transfer systems – the Somali remittance system being one of many such systems that fall under this category and operate throughout the world.

Unique Aspects of Remittances in Sub-Saharan Africa

 Migration is intraregional and domestic as well as short-term and seasonal.
 Officially recorded remittance flows are articially low, reflecting underreporting of flows through formal channels and high flows through informal channels.
 Officially recorded flows to Africa have not kept pace with those to other developing regions, despite growing migration (intraregional and international).
 Trust in informal remittance channels is eroding in some areas.
 Demand is growing for services to accompany or replace transfers of funds (for example, delivery of goods to family back home).
 Weak financial systems provide limited services, especially in rural areas, reducing access to financial services and products such as savings accounts and mortgages.
 Regulation of financial services is restrictive.

5. Case Study: Somalia´s Remittances

Remittances from abroad began to influence the economy in the 1970s, as the number of Somali workers in the Gulf states increased. The money gained more importance in the mid-1980s, when more people went to live abroad, mostly in western countries. In the 1970s and 1980s, the usual method of remitting money to Somalia was for migrant workers in the Gulf to purchase high-value consumer goods and ship them to their families at home, who could then sell them for cash.

Following the overthrow of President Mohammed Siyad Barre in 1991, and as economic hardship set in, Somalis became more dependent on money from relatives abroad. By the early 1990s, the money transfer business "typically relied on trusted relations with a known broker, usually from the same clan, who would ensure that funds were delivered to family members in Somalia," Abukar explained.

"Although statistics are unreliable, by most accounts remittances have long been one of the most important sources of hard-currency earnings for Somalia - even more so than livestock exports. They are a lifeline for the survival of millions of Somali families," Matthew Bryden, Horn of Africa project director for the International Crisis Group, an international crisis prevention and resolution organisation, told IRIN.

According to Abdirashid Duale, chief executive officer of Dahab Shiil Remittances, the largest money-transfer company in Somalia, funds from abroad provide 90 percent of foreign-exchange earnings. "At least one-third of the entire population rely exclusively on remittances for their livelihoods," he explained.

"In the main towns, up to two-thirds of the population depend on it. No accurate figures are available, but it is estimated that remittances fund more than 80 percent of the start-up capital of new businesses," Abdirashid told IRIN. "It enabled the Somali community to survive on its own," he said. "One could say that without remittances coming from abroad, many people would not have survived the prevailing poverty conditions and the huge unemployment."

Between one and three million of Somalia's estimated seven million people are thought to live outside the country, and a 2003 UN survey concluded that about 25 percent of families in Somalia received remittances from those living abroad.

Remittance policy should generate a new interest for Somalia policy makers, politicians, civil society, as well as development analysts as remittances by Somalians abroad rise to a level that are two times with its development assistance and foreign direct investments. There are opportunities to improve receipts of foreign currency through remittances from Ghanaians abroad. The country needs a coherent remittance policy to maximize the benefits of remittances in nation building. To achieve this objective, a remittance policy at national level should be part of a broader set of reforms aimed at modernizing the financial system to allow financial institutions to compete successfully with money transfer firms.

The largest proportion of the remittance transfer business is handled by the three major companies listed below:
Barakat Bank of Somalia
Dahab-shil Ltd
Amal Express Ltd

6. Conclusion and Policy Implications

Remittances to Africa and Asia have been identified as a key source of development funding, sometimes outpacing official development assistance, and a lifeline for millions of families in poor countries. In its new report 'Global Development Finance 2005: Mobilising Finance and Managing Vulnerability' the World Bank noted that "workers' remittances provide valuable financial resources to developing countries, particularly the poorest". A recent study on the importance of remittances to Africa concluded that the continent received 15 percent of all remittances (US $80 billion) sent to poor countries in 2002. This is a significant sum of money, yet fewer than two-thirds of African countries (and only one-third of sub-Saharan countries) actually report remittance data.

Remittances were more evenly distributed than capital flows and aid to developing countries. "Even though most top recipient countries are large, remittances to many small developing countries are significant as a share of GDP [gross domestic product] or in per capita terms.

As remittances, the financial transfers from migrant workers abroad to their families in developing countries, become perhaps the largest source of external finance in developing countries, it becomes more and more important that governments address this challenge. As the level of international remittances sent home to developing countries overtakes official development assistance and continues to rise, it is becoming dubbed by some as the new development finance.

In the absence of a central government and a banking system, the Somali remittance sector provides basic financial services, including the remittance of funds from the Somali diaspora. The lack of a central authority and a central bank poses challenges, such as absence of fiscal policies, lack of financial planning and investment guidelines, in addition to currency mismanagement and erratic fluctuation and pervasive insecurity, to remittance companies both in Somalia and abroad. In order to meet these challenges the remittance companies need to increase their current operating standards and commit to compliance with all host country rules and regulations. Under these circumstances the most effective option is self-regulation until such time that a formal banking sector is established in Somalia. In the mean time host country regulators along with the Somali remittance sector must collaborate to achieve compliance.

7. Possible extensions and further research

This paper has presented a basis for making decisions on whether, how, and where to proceed with initiatives in the field of remittances. Additional applied research is needed in two areas:
• The technicalities relating to the implementation of specific policy measures (e.g. the design of financial incentive programmes, the elaboration of communication strategies for diaspora relations, or the legal constraints to increasing competition on the remittances transfer market)
• The specific conditions in countries where policy measures are to be imple-mented.

In addition, link and support the ongoing work on migration, remittances and development by multilateral agencies and international organizations. Specifically, support current remittances-related work by the International Organization for Migration (ILO), the World Bank, the Inter-American Development Bank, the Asian Development Bank, the Global Commission on International Migration, the International Labour Organization and other agencies.

7. References
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8. Appendix: Boxes, Tables, Figures

Box 1: Further reading on migration and development

The following publications provide overviews of links between migration and development:

• Appleyard, R. (1992:644) 'International migration and development: An unresolved relationship', International Migration, 30(3/4):251-266.

• Guilmoto, C.Z. and Sandron, F. (2003) Migration et développement. Les études de la documentation Française. Paris: La documentation Française.

• Hammar, T., Brochmann, G., Tamas, K. and Faist, T., eds, (1997) International Migration, immobility and development. Multidisciplinary perspectives. Oxford: Berg.

• International Organization for Migration (2001) The link between migration and development in the least developed countries. IOM's vision and programmatic approach. Geneva: International Organization for Migration.

• Skeldon, R. (1997) Migration and development. A global perspective. Harlow: Longman.

• Sørensen, N.N., Van Hear, N. and Engberg-Pedersen, P. (2002) The Migration-Development Nexus: Evidence and Policy Options. IOM Migration Research Series, 8. Geneva: International Organization for Migration.

Box 2: Migration and the Millennium Development Goals

The Millennium Development Goals (MDGs) were adopted by the United Nations General Assembly in September 2000 and have been commonly accepted as a framework for measur-ing development progress. There are eight goals, each of which is linked to specific indicators in order to measure progress.

1 Eradicate extreme poverty and hunger
2 Achieve universal primary education
3 Promote gender equality and empower women
4 Reduce child mortality
5 Improve maternal health
6 Combat HIV/AIDS, malaria, and other diseases
7 Ensure environmental sustainability
8 Develop a global partnership for development

International migration can have massive economic gains that can be used for poverty reduction, including progress towards the MDGs. However, the contentious nature of migration precluded any mention of migration in the MDGs. This is symptomatic of a lack of coherence between migration and development policies at the international level, with governments extremely reluctant to cede control over migration policy. Goal 8 should be a reminder to industrialized countries that global developmental responsibilities need to be taken account of in the design of national policies relating to migration.

The International Organization for Migration (IOM) has sought to enhance the contribution of migration to development in Africa through the MIDA programme (See Box 12). The programme can contribute directly to several of the MDGs by fighting poverty and hunger through dedicated remittance programmes (Goal 1); supporting an active participation of women in a gender-balanced economic and social environment (Goal 3); targeting migrant populations for prevention measures and health agents for positive change (Goal 6); and es-tablishing partnerships with private/public sector (Goal 8).

In addition to institutional efforts, millions of migrants worldwide contribute to several of the MDGs through their remittances. It is worth noting that this occurs not least when remit-tances are spent on the immediate needs of poor families—the kind of expenditure that re-searchers and policy makers often have labelled 'unproductive squandering' of remittances.

Sources: House of Commons (2004a), International Organization for Migration (2004), and United Nations (2000b).

Box 6: The First Accounts Programme

The US Treasury Department's First Accounts programme aims to move a maximum number of 'unbanked' low and middle-income individuals to a 'banked' status. The strategy behind the programme has been to support the development of financial products and services that can serve as replicable models in other communities without the need for ongoing public subsidies. As initially conceived, the First Accounts initiative had four main components: First Ac-counts — support to cover the costs financial institutions incurred in offering low-cost, elec-tronic banking accounts to low-income individuals; Access — support for expanding access to automatic teller machines (ATMs), points of sale (POS) terminals, Internet, or other distribu-tion points in low-income neighbourhoods with low access; Financial Education — support for financial institution and non-profit initiatives to provide financial education and counselling to low-income households; Research — funding for research into the financial services needs of low-income individuals and development of financial products designed to meet these needs.

Sources: Barr (2002) and US Department of Justice (2004).

Box 7: Migration for Development in Africa (MIDA)

In 2001, the International Organization for Migration (IOM) launched the programme 'Migration for Development in Africa' (MIDA). This is an institutional capacity-building programme that aims to develop the potential synergy between the profiles of African migrants and the demand from African countries, by facilitating the transfer of vital skills and resources of the African diaspora to their countries of origin. The programme is based on the notion of mobil-ity of people and resources, including temporary, long-term or 'virtual' return. This differs from a similar programme in the past (RQAN) that was more narrowly focussed on return and reintegration. The approaches of MIDA are tailored to meet the needs of the countries of origin without jeopardizing migrants' legal or social status in their host countries or newly adopted home countries. Under MIDA African countries and the IOM work together to implement activities in six areas:
• Small-scale enterprise development
• Dialogue and migration policy options
• Remittances management
• Information campaigns
• Skills transfer
• Assessment surveys and database development

Under the area of remittances, MIDA aims to A) develop cost-saving methods for remittance transfers and B) channel remittances to development-related investments. As part of the second point IOM has promoted the concept of an African Diaspora Remittance Fund which combines aspects of corporate finance, trade finance, investment fund management and pov-erty reduction to create a new financial product for the African diaspora and their families.
Source: International Organization for Migration (2004)

Table 1. Availability of data on workers' remittances 1992-2001.

Number of countries			Years with remittance data 1992-2001 (%)[1]			
			0	1-9	10	Total
All economies, by income group						
Low	66	44	27	29	100	
Lower Middle	52	31	29	40	100	
Upper Middle	38	42	45	13	100	
High	52	67	15	17	100	
Total	208	46	28	26	100	
Economies with more than 1 million inhabitants, by income group						
Low	60	42	28	30	100	
Lower Middle	38	26	21	53	100	
Upper Middle	26	31	58	12	100	
High	28	50	18	32	100	
Total	152	38	30	33	100	
Low- and middle-income economies, by region						
Europe/Former Soviet Union	28	29	64	7	100	
Middle East and North Africa	15	33	20	47	100	
Sub-Saharan Africa	48	42	31	27	100	
Asia	20	45	10	45	100	
Oceania	11	64	36	0	100	
Central America/Caribbean	22	41	18	41	100	
South America	12	25	33	42	100	

Total	156	39	32		29	100
Low- and middle-income economies with more than 1 million inhabitants, by region						
Europe/Former Soviet Un.	26	27	69		4	100
Middle East and North Africa	15	33	20		47	100
Sub-Saharan Africa	42	45	29		26	100
Asia	17	35	12		53	100
Oceania	1	100	0		0	100
Central America/Caribbean	13	23	15		62	100
South America	10	20	30		50	100
Total	124	35	32		33	100
Norway's partner countries [2]	25	52	16		32	100

Source: World Bank (2003b) [1] Refers to data on inward workers' remittances from national balance of payments statistics. [2] Partner countries as of 2004.

Table 2. Estimated flows of remittances by region, 2000. USD billions.

Sending region	Receiving region						
Africa	Asia	Europe	Latin America, Caribb.	North America	Oceania		Total
Africa	3.7	0.5	0.1	0.0	0.0	0.0	4.2
Asia	3.4	31.5	3.4	0.5	0.2	0.0	39.0
Europe	2.6	3.2	9.5	0.4	0.4	0.1	16.2
Latin America and Caribbean	0.0	0.1	0.6	1.1	0.1	0.0	1.8
North America	0.7	7.9	5.7	14.2	0.9	0.1	29.6
Oceania	0.0	0.2	0.4	0.0	0.0	0.1	0.8
Total	10.4	43.4	19.6	16.2	1.6	0.3	91.5

Bold figures indicate flows between countries in the same region. Source: Harrison (2004). The figures are estimates calculated on the basis of statistics from different sources.

Table 3. The distribution of benefits of remittances

Immediate benefits to the recipients	Future benefits to the recipients	Benefits to secondary beneficiaries	Remittance-indep. development
Buying imported goods			
Buying local goods /services			( )
Spending on education			
Saving in the bank		( )	( )
Building a house			
Setting up a business			

Source: Carling (2004c).

Table 4. The costs of starting a business in major remittance-receiving countries, 2004.

	Number of procedures required	Total time required (days)	Per cent of GNI per capita		Index of barriers to entry (relative to average)[1]	Minimum capital required
			Total official cost			
Jamaica	7	31	15	0	-2.1	
Nepal	7	21	74	0	-1.9	
Morocco	5	11	12	719	-1.8	
Mongolia	8	20	8	182	-1.7	
Tunisia	9	14	11	327	-1.3	
Sri Lanka	8	50	11	0	-1.3	
Bangladesh	8	35	91	0	-1.2	
Samoa	7	73	18	0	-0.9	
Pakistan	11	24	36	0	-0.9	
Albania	11	47	32	41	-0.2	
Nigeria	10	44	95	59	-0.2	
Serbia and Montenegro	11	51	10	120	-0.1	
Nicaragua	9	45	170	0	-0.1	
Croatia	12	49	14	24	0.0	
Benin	8	32	197	333	0.1	
Dominican Republic	10	78	25	2	0.2	
Bosnia and Herzegovina	12	54	46	65	0.4	
Senegal	9	57	113	270	0.4	
Colombia	14	43	27	0	0.4	
Portugal	11	78	14	40	0.5	
Guatemala	15	39	63	32	0.9	
Honduras	13	62	73	37	1.0	
Jordan	11	36	52	1148	1.8	
Uganda	17	36	131	0	1.8	
Ecuador	14	92	47	10	1.9	
Egypt	13	43	63	816	2.0	
Mali	13	42	187	482	2.1	
Azerbaijan	14	123	15	0	2.5	
Togo	13	53	229	486	2.7	
El Salvador	12	115	128	133	2.7	
Cambodia	11	94	480	394	4.6	
Yemen, Rep.	12	63	269	1561	5.0	
Average	11	52	86	228	0.5	
OECD countries	6	25	8	44	-2.5	

Bold font indicates partner countries. Countries in the table are all those with inward remittances greater than 2.5 per cent of GDP in 2002 (International Monetary Fund.

Table 5. Classification of recipients of bilateral development cooperation through Norad by remittances as a proportion of GDP. Source: World Bank (2003b). [1] Occupied Palestinian Territory

Remittances as a proportion of GDP, 1992-2001 average				
>10.0	2.5–9.9	0.5–2.4	0.0–0.4	No data
Main partner countries	Bangladesh Nepal		Malawi Mozambique, Uganda	Tanzania Zambia
Other partner countries	Eritrea	Mali Nigeria Sri Lanka Nicaragua	Guatemala Pakistan	Angola China Ethiopia Indonesia Kenya Madagascar	Afghanistan South Africa Timor-Leste Vietnam OPT[1]
Other recipients of bilateral development co-operation through Norad	Albania Cape Verde El Salvador Jordan Lebanon Yemen	Belize Bosnia and Herzegovina Burkina Faso Croatia Dominican Republic Ecuador Egypt Honduras Jamaica Sudan	Azerbaijan Barbados Bolivia Costa Rica Guinea-Bissau India Iran Macedonia Mauritania Mexico Mongolia Niger Paraguay Peru Philippines São Tome and Principe Senegal Seychelles Turkey	Congo, DR Cuba Equatorial Guinea Fiji Haiti Liberia Myanmar North Korea Somalia Swaziland	

The charcoal trade in southern Somalia – An economy without a state
Christian Webersik[76]

Background

When analysing links between the environment, conflict and statelessness in Somalia, it is important to examine the role of the Somali business class. For instance, mainly urban-based elites benefit from the profitable but environmentally damaging practice of the charcoal production. Nevertheless, potential links between environmental degradation and armed conflict are ambiguous. Whereas the charcoal trade can trigger conflict in producing areas and along transport routes, it can build trust among the business elite in the urban centres. Today in Somalia, there is a thriving economy largely based on trade and arbitrage rather than production without a functioning state. As a result, business elites have gradually taken over basic functions of the modern state.

More generally, in countries where government institutions are absent, security, social services, such as education and health care are often privatised.[77] This is a typical development in southern Somalia. In Mogadishu, the business class has taken over utilities, health services, the education sector, telecommunication networks and 'public' transport. A weak adherence to the notion of 'public goods', the functioning of the Somali non-state administrations and the 'free market' model of Dubai are all elements in a discussion about the role of the business class in a re-emerging Somalia. Today, there is greater awareness among Somalis about the role the private sector could play in a more stable setting in enabling Somalis to enjoy economic prosperity. Many basic social services, such as education and health provision have been provided on a cost-recovery basis by the private sector, and it is unlikely that benefits resulting from economic growth are evenly distributed.

This paper explores links between violent conflict and environmental degradation with special reference to the charcoal trade in southern Somalia. The trade generates needed domestic income and foreign currency. Since the collapse of Barre's regime, which could have restricted the trade, the charcoal trade has become one of the major economic activities. Illegal tree cutting has increased deforestation, with local droughts accelerating the trend. Consequently, in an environment with reduced economic returns caused by drought the incentives to engage in a war economy increase. Further, the charcoal trade only favours the powerful elites without benefiting local people. Local communities have responded to the situation by building up their resistance often resulting in armed conflict. This also applies to other sectors of the business. Here, the need

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[77] De Waal, Alexander, *Famine Crimes: Politics and the Disaster Relief Industry in Africa*, African issues (Oxford, Bloomington: Currey, Indiana University Press, 1997).

for an effective government which could enforce the rule of law is crucial, but the critical question remains how best to support good governance in southern Somalia.

In the absence of 'good governance', a vibrant business sector can only be sustainable if there is commitment towards social responsibility. Therefore, the business class should have a stake in the well-being of the Somali people through providing tax revenues for redistribution or creating job opportunities disregard of political affiliation, religion or gender.[78] This requires an effective administration, which has the capacity to enforce laws, to demand taxes and to monitor the activities of the private sector. In the absence of an effective government and as a result of past experiences with a predatory regime, the business community took the initiative to create such an enabling environment.

Characteristics of the Somali economy

Before turning to more recent developments of Mogadishu's economy, the period following the collapse of Siyad Barre's regime should be briefly discussed. In 1991, heavy fighting erupted between supporters of Ali Mahdi (Abgal) and General Aideed (Haber Gedir) resulting into massive killings, the destruction of the city and the division of Mogadishu into two parts demarcated by the so-called 'green line'. Indiscriminate shelling and the use of all kinds of heavy weapons targeted at residential areas led to hundreds of deaths, injuries and displaced persons.[79] Later, faction leaders like Atto, Aideed, Mahdi, Qanyare, Musa Sudi, Omar 'Finish', to name just a few, established their realms of influence in the city. Although they promised to restore security and reopen the main port facilities, the situation did not improve. Their respective militias collected 'taxes' at one of the numerous road blocks from public transport vehicles and trucks transporting goods to and from Mogadishu's markets. Gunshots were regularly exchanged, ambushes and killings of civilians travelling on public transport have been taken place.[80] If drivers refused to pay the 'tax', armed militia would not hesitate to fire at public transport vehicles. Besides, there were freelance militias who organised kidnappings and ambushes on a commercial basis. The security situation did not improve over the years, Mogadishu remained one of the most dangerous cities in the world.[81] The exchange of gunfire, shelling, car hijacking are daily occurrences. Within one week in December 2002, the following incidents were reported: "Uncontrolled militia increased. Six people were killed [...] when a vehicle owned by Nation Link (a communication company) was ambushed. Sheikh Ali Mohamoud 'Dhere', head of the regional court, was attacked in his house killing five people. Five people were killed in an ambushed vehicle. Three people were killed when two militia men had a dispute. Two people killed during Eid holiday. Kidnappings increased in Bakara and Karan market. Car hijacking increased."[82] This insecure environment has affected the private sector in several ways.

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[78] For a detailed discussion, see chapter three in: United Nations Development Programme, *Human Development Report, Somalia 2001* (Nairobi: United Nations Development Programme Somalia Country Office, 2001).

[79] United Nations Development Office for Somalia, *Regional Profile of Mogadishu - Benadir* (Nairobi: United Nations Development Programme, 1999), 27.

[80] United Nations Development Office for Somalia, *Regional Profile of Mogadishu - Benadir*, 26.

[81] Since the kidnapping of several international UN staff in April 2001, Mogadishu has become a no-go-area for UN international staff.

[82] Minutes of weekly meeting on security and social activities on 11 December 2002 compiled by Mogadishu-based local and international NGOs and UN agencies.

The civil war promoted a radical liberalisation of the economy. Trade has been liberalised, exchange rates freed, government intervention or protectionism became absent, subsidies ended, markets have been deregulated and parastatal companies either looted, destroyed or privatised.

Under the regime of Siyad Barre, the Somali economy was centrally planned according to socialist economic models. By the late 1970s, the economy was performing badly and heavily dependent on foreign aid. The lost Ogaden war in 1978 only further weakened the economy. The Somali regime then adopted structural adjustment programmes under mounting international pressure in the late nineteen-eighties. Despite neo-liberal policies, the state continued to subsidise parastatal companies, foreign aid was controlled by the government, private sector initiatives dependent on patronage networks. Embezzlement of national resources, the use of state-owned assets to reward loyalty of kinsmen close to the regime, the repression of private sector initiatives, a brutal security apparatus and rampant corruption have planted mistrust in the business class against government institutions. For example, the collapse of the Somali Commercial and Savings Bank in 1989 was due to corruption and mismanagement.[83]

Accordingly, institutions of contemporary administrations, which could implement fiscal or monetary policies, face strong opposition from the private sector. State intervention is seen by many Somali business men as an obstacle to economic recovery and prosperity. Most interviewees from the business class saw the state's main role as monopolising physical force and restoring law and order. The Deputy General Manager of Telecom Somalia expressed his interest in cooperating with a new government as long as it would deliver security.[84] Mohamed Deilaf, one of the most powerful business men in Mogadishu who supported the Transitional National Government (TNG), believed that "the benefits of peace are greater than in the circumstances of conflict".[85]

The business elite developed strong ties with the political leadership of various administrations and faction leaders mainly in the urban centres like Mogadishu and Kismayo in order to protect their interests. In Mogadishu, influential business men began supporting the TNG financially, strengthening the symbiotic relationship between politics and the business class. However, this changed over the years. The business class lost confidence in the political groups, as they did not live up to their promises to improve the deteriorating security situation. As a result, business men created their own system of security often based on reciprocal arrangements: "There is a rule among business partners of mutual protection based on territorial control. The system stretches from Mogadishu to Kismayo," a local business man explains.[86]

It was a private initiative to rehabilitate roads leading to the satellite airports of Mogadishu independently from the support of any political group. Since the closure of the international airport in Mogadishu, local business men and faction leaders alike have established their own airstrips on the periphery of Mogadishu. For example, K-50 airport[87], which is operated by Haaf (Hawiye/Haber Gedir/Saad), is used by the largest commercial carrier Daallo Airlines. Security at the airport is provided by Haaf, transport to the city centre by Daallo Airlines.[88]

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[83] United Nations Development Programme, *Human Development Report, Somalia 2001*, 141.
[84] Interview in Mogadishu on 17 December 2002.
[85] Interview in Mogadishu on 16 December 2002.
[86] Interview in Mogadishu on 19 December 2002.
[87] The name of K-50 airport derives from the distance between the city centre and the airport which is 50 kilometres away.
[88] Author's fieldwork in Mogadishu in December 2002.

An example of Somalia's efficient economy in the absence of a functioning government is Somalia's exchange rate, which remained relatively stable without hyperinflation for the last six years of civil war (see figure 1). This can be explained with the resilience of Somalia's economy to cope with political, social and environmental changes.[89] The shilling started to drop in 2001 when business people from Mogadishu flooded the economy with newly printed Somali shillings. However, this development also reflected the trend at the international financial markets as currencies of most developing countries weakened during this time. This again benefited those who were in the possession of hard currency discriminating against small traders and shop owners who were mainly using the shilling.

Three processes are important to mention in order to understand the role of the business sector today: the legacy of the former government, the high influx of foreign aid and the informalisation of the private sector.

These developments have been partly due to the collapse of Barre's dictatorship. During Barre's regime the economy came under state control and was centrally planned. Companies were state owned, agricultural land suited for cash crops belonged to the state. Parastatal companies received subsidies and foreign

Figure 1:   Depreciation of Somali and Somaliland Shilling against US Dollar 1995-2001

Source: FEWS NET October 2001, Nairobi.
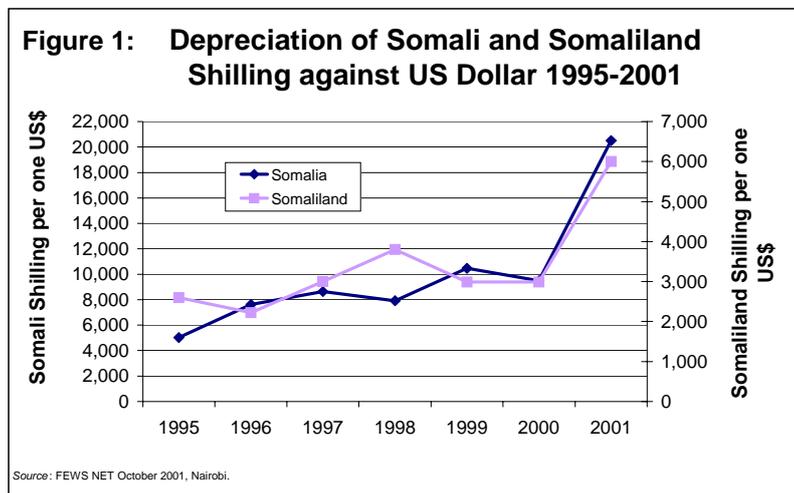
aid was channelled through ministries. Access to valuable resources was controlled by state agents. Patronage networks secured the distribution of these resources. It was not until the defeat in the Ogaden war in 1978 that the Somali government turned to the West for financial support claiming that it was fighting communism since the Soviet Union had abandoned Somalia for Ethiopia.[90] Economic performance decreased in the late-seventies and the military defeat against the Ethiopians further weakened the economy. Somalia's dependence on food imports increased and in 1981, the country imported 390,000 tons of grains and cereals compared to about 450,000 tons produced domestically.[91] Corruption and nepotism was rampant favouring kinsmen largely drawn from the ruling Darod clan. This created a deep mistrust against any formal intervention from the side of the government. The notion of a predatory state has influenced the perception of any newly established formal government.

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[89] Little, Peter D., *Somalia: Economy without State* (Oxford, Bloomington & Indianapolis, Hargeisa: James Currey, Indiana University Press, Btec Books, 2003).
[90] De Waal, *Famine Crimes: Politics and the Disaster Relief Industry in Africa* 162.
[91] Narbeth, Simon, *The Targeting of Emergency Food Distribution in Somalia: Vulnerability, Redistribution, and Beneficiary participation* (Nairobi: World Food Programme, 2001), 74.

Before and after the end of the Cold War, Somalia benefited from large influxes of aid. In the 1980s foreign aid consisting of humanitarian and development assistance made up more than 60 per cent of the government's resources.[92] Somalis who had a political career in the government knew that their posts opened doors to international financial assistance that was already in the pipeline. 100 per cent of the development budget was externally funded.[93] Little of this aid was used for humanitarian purposes or economic development; rather, it sustained the Barre's dictatorship long after his regime would otherwise had fallen.[94] The rural poor hardly benefited from foreign assistance. "Foreign aid was only confined to Mogadishu, and it ended up in the pockets of the city person," a Somali author explains.[95] Although some of the money was embezzled, funds were granted because of geopolitical reasons. Criteria of accountability, efficiency and effectiveness were hardly applied. This led to a persistent attitude that foreign aid should pay for everything creating a legacy in southern Somalia that foreign aid should be granted without conditions. The flow of foreign aid declined in the late eighties due to the change in the geopolitical order and the intensification of the civil war. This coincided with the adoption of structural adjustment policies and growing support for non-governmental organisations (NGOs). The international humanitarian intervention in the early nineties reversed this trend. In the era of United Nations Operation in Somalia (UNOSOM) large amounts

Figure 2: Humanitarian Assistance to Somalia 1993-2000

Source: Consolidated Inter-Agency Appeals for Somalia (1993-2000), OCHA.   Note: Figures are based on available data

of money were paid to Somali 'entrepreneurs', for instance guards escorting food convoys or for food storage. In the year 1993 alone, UNOSOM's annual budget amounted to US$ 1.5 billion, though only 4.5 per cent went into the local economy.[96] Since the withdrawal of UNOSOM the influx of aid money decreased significantly (see figure 2). This decrease of foreign assistance created room for a functioning competitive market involving more and more traders and wholesalers. Still, expectations towards the delivery of aid agencies are still very high as foreign aid is one of the only sources of foreign currency besides the influx of remittances from the Somali diaspora.
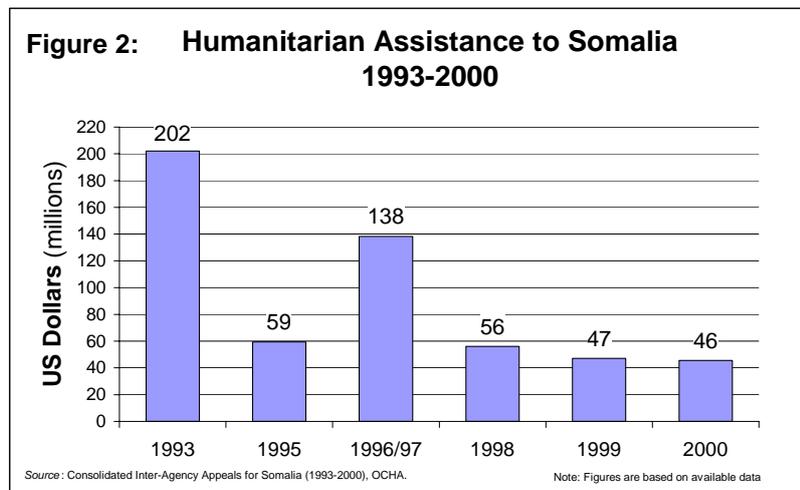
Informalisation is the third element of the Somali economy, a development similar to other contemporary African states.[97] The informal sector grew steadily in the aftermath of the collapse of the former regime. The informalisation of the economy started in the late seventies with urbanisation and the growth of demand for wage labour. The development of a formal private

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[92] United Nations Development Programme, *Human Development Report, Somalia 1998* (Nairobi: United Nations Development Programme Somalia Country Office, 1998), 57.

[93] United Nations Development Programme, *Human Development Report, Somalia 1998*, 57.

[94] De Waal, *Famine Crimes: Politics and the Disaster Relief Industry in Africa* 162.

[95] Interview in Eldoret, Kenya, on 10 November 2002.

[96] Bradbury, Mark and V. Coultan, *Somalia Inter-Agency Flood Response Operation Phase I November-December 1997: An Evaluation* (Nairobi: UNICEF Somalia, 1998).

[97] Chabal, Patrick and Jean-Pascal Daloz, *Africa Works: Disorder as Political Instrument*, African Issues (Oxford: The International African Institute, James Currey, Indiana University Press, 1999).

sector was impossible during the socialist regime, but even after the change of political orientation in the late 1970s most companies remained state-owned. This forced many small traders and business people into the informal sector. Partly through falling figures in international aid, informal economic networks and remittances gained importance, and thrive in the vibrant private sector of today's Somalia. Certification of livestock or the regulation of the health and educational sector is non-existent, which are obstacles to sustainable economic recovery. Proper certification of livestock to be exported could improve the export situation to the Gulf States, with up to 80 per cent of livestock exported to Saudi Arabia alone in June 2000.[98] Saudi Arabia and other Gulf States imposed livestock bans due to the outbreak of Rift Valley Fever, for quality reasons, geopolitical and commercial interests between 1983 to 1988, in 1998 and in September 2000.[99] However, to contain outbreaks of Rift Valley Fever, strategies in both exporting and importing countries are required. In terms of the health sector, pharmacies can be opened by anyone who has the necessary financial means, outdated medicines are sold regularly. Students who graduate from higher learning institutions have their degrees questioned when applying abroad. The absence of a legal formal framework or any law enforcement agency makes it difficult to overcome nepotism and patronage.

The emergence of a new business class

These processes offered tremendous opportunities for a newly emerging business class to accumulate wealth. In Somalia, it was conflict and the absence of a formal government that guaranteed many business people a generous income. One example is the extremely high profit margins in the tax-free import/export sector. Sugar, rice, manufactured goods, electronics, cigarettes and petroleum are imported tax-free, some of these goods are then smuggled to neighbouring states, such as cigarettes to Kenya. Wholesalers buy oil products and diesel on Dubai markets, whereas petrol is supplied from Kenya facilitated through Indian-Kenyan agents.[100] Brazilian sugar and rice from United Arab Emirates was further exported to the Kenyan capital Nairobi. Rice is also imported from India, Pakistan, and Thailand.[101] Even cloth which used to be produced in Somalia is now imported from Indonesia.[102] A sarong sells on the local market for US$ 10 but is imported for as less as 2-3 US$.[103] Another revenue generating activity for business men and faction leaders alike is the charcoal export without being much affected by violence in the rural areas caused by the trade. The collection of 'fees' and 'taxation' at roads and airports is a common source of income. Road blocks can be found on the outskirts of every town and major settlement in southern Somalia. Road blocks are manned by competing militias, sometimes only by a single armed man. Faction leaders in collaboration with business men engage in sectors of the economy that would be otherwise controlled by the state, such as drug trafficking and money printing.

The most visible changes occurred in Mogadishu from 1991 onwards. Some people started to sell looted property to foreign countries. The Chamber of Commerce in Dubai recorded

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[98] United Nations Development Programme, *Human Development Report, Somalia 2001*, 98.

[99] United Nations Development Programme, *Human Development Report, Somalia 2001*, 98.

[100] Marchal, Roland, *A Survey of Mogadishu's Economy* (Nairobi: European Commission/Somali Unit, 2002).

[101] Marchal, *A Survey of Mogadishu's Economy.*

[102] Coastal craftsmen produced the distinctive cloth locally known as *tomonyo* or *toob Banadir*. It was not only sold locally but also shipped to markets of the Red Sea and Egypt where it was know for its durability. Cassanelli, Lee V., *The Shaping of Somali Society: Reconstructing the History of a Pastoral People, 1600-1900* (Philadelphia: University of Pennsylvania Press, 1982) 167.

[103] Author's fieldwork in Mogadishu in December 2002.

significant higher import figures for scrap metal, copper and machines.[104] As one Somali economist complains: "Many of the public assets, were dismantled and exported as scrap. Many of our factories were exported as scrap, many of our power stations, many of our bridges; anything of value was stripped and exported."[105] Besides national assets, such as government factories, telecommunication equipment, marine vessels, national schools and offices, even national monuments were dismantled and exported.[106] National aircraft were exported as scrap metal. Munia Saiid, a business man from Brawa who now lives in Yemen, was working for the Somali High Seas Fishing company when the regime collapsed. He fled to Yemen with five marine vessels which remain in Aden. He is still fishing off the Somali coast but did not return to Somalia.[107] Other business men accumulated wealth during the UNOSOM time. Aid workers, UN personnel and journalists alike had to pay huge amounts for housing, transport, and most importantly, security: "payments for everything from hired gunmen to hotel rooms were counted in increments of hundred-dollar bills. This was, after all, a *war* economy."[108] Others set up local NGOs in order to tap into the abundant resources available.[109] In this respect, control of urban space and even education and health facilities were critical.

A prominent business man, Osman Hassan Ali 'Atto' (Hawiye/Haber Gedir/Saad), is alleged to have sold much of the industrial assets, although he claimed: "this is only rumour. I have never sold anything of the national assets. And nobody can prove that. Yes, I have been assisting General Aideed, but I have never sold anything of the national assets."[110] Before the war, Atto was already a wealthy business man. From his early teens, he worked in the construction industry, and he became General Manager of a Somali oil company. He supplied oil companies with equipment. He acquired trucks and heavy machinery, participated in the banana business and owned property in Mogadishu. At the beginning of the civil war, he was the financier of General Aideed only to turn away in 1994 to support his rival, Ali Mahdi. Atto switched sides several times when it suited his economic interests. During UNOSOM, he stored heavy weaponry and owned several workshops where ordinary pick-ups were transformed to battle wagons, the so called 'technicals'. Atto uses passports from Kenya, the United States and possibly Italy.[111] Atto is a good example of a businessman who acted behind-the-scenes and benefited from general lawlessness, violations of the UN arms embargo and misuse of foreign aid. Atto was invited to the Somalia National Reconciliation Conference with ten delegates. Asked for his opinion about self-styled leaders who lack popular support within the country but were participating in the Somali peace talks, he answered: "At the moment, there is no way that such leaders can be denied access to the conference. But eventually, they should be considered by their weight, by their territory, by their support, by their own armed militia."[112] Atto insisted that his USC/SNA[113] faction draws support from Mogadishu, Mudug region and largely the central regions and claimed that he controls strategic parts of South Mogadishu. Questioned

[104] Dubai Chamber for Commerce and Industry. Available: http://www.dcci.org.
[105] Interview in Eldoret, Kenya, on 27 November 2002.
[106] This included the statue of Sayyid Muhammad 'Abdille Hassan, leader of the Dervish movement and a symbol for Somali nationalism. See: IGAD, *Somalia National Reconciliation Conference, Eldoret, Kenya: Committee III: Land and Property Rights. Draft Report* (Eldoret: Inter-Governmental Authority on Development, 2003), 16.
[107] Interview in Soy, Kenya, on 10 November 2003.
[108] Peterson, Scott, *Me Against my Brother: At War in Somalia, Sudan, and Rwanda* (New York, London: Routledge, 2001) 26.
[109] United Nations Development Programme, *Human Development Report, Somalia 2001*, 144.
[110] Interview in Eldoret, Kenya, on 22 November 2002.
[111] Hogendoorn, Ernst Jan, Abdoulaye M'Backe and Brynjulf Mugaas, *Report of the Panel of Experts on Somalia pursuant to Security Council Resolution 1425 (2002)* (New York: United Nations Security Council, 2003), 35.
[112] Interview in Eldoret, Kenya, on 22 November 2002.
[113] United Somali Congress/Somali National Alliance

about the role of the traditional leaders in the peace process, he replied: "At the moment, you need traditional leaders and rules, but you also need the factions who are armed. There are certain things the traditional leaders are not able to do and there are certain things the politicians are not able to do. [...] Perhaps some of the traditional leaders want to increase their power and automatically, they can easily become 'warlords', or how do you call them?"[114]

Another group of business people, medical doctors and academics were Somali migrants and refugees who returned after the worst clashes ended in the mid-1990s. Some came back to work in private universities, others in the booming telecommunications sector or hotel business. There were also several medical doctors who returned to Somalia for personal as well as for financial reasons. One example is the radio and television station Horn Afrik which was established in 1999 by three Somalis from Canada. Horn Afrik was the first independent, commercially run station in Somalia reporting on poverty, the Somali peace process, human rights issues. The station provides services to Mogadishu and neighbouring areas. The management is providing training to journalists and reporters on investigative journalism. One of the managers, Ahmed Abdisalam Adan, stated that the station was making profits and served the public.[115] In Somalia, where illiteracy is nearly 83 per cent, radio and television programmes can substantially contribute to rebuild the education system. It is not clear to what extent the station is independent from political factions. Adan is from the same sub-clan as the President of the TNG, the Ayr, and has been accused of serving as the President's mouthpiece. Despite this criticism, Horn Afrik is a promising example of how Somalis in the diaspora can positively contribute to a transition to peace and economic recovery.

The Somali war economy: the charcoal trade

Today, although humanitarian aid has decreased dramatically, little revenue is raised from productive economic activities. Instead, 'fees' and 'taxes' charged at airports and checkpoints of strategic importance, aid agencies have to pay large amounts for the delivery of food aid to remote regions. Lorry drivers established a truckers' association to ensure safe transport to Mogadishu. This even resulted in the rehabilitation of some road sections.[116] The charcoal trade is an important component of the Somali war economy which will be discussed in this context. Besides, Somali politicians, members of the Transitional National Government in Mogadishu, became dependent on Ayr business people who provided them with transport facilities and real estate.

Charcoal is the major source of fuel in Somalia but is also exported to the Gulf States generating income for producers, traders, retailers and wholesalers. Since the collapse of a functioning government, which restricted the trade in the past, charcoal, known to many as Somalia's black gold, has become one of the major pillars of the Somali informal economy. Charcoal production was started by the Italians in the 1920s for establishing a railway service. Today, the train service has disappeared but charcoal remains.[117] The environmental effects are disputed.

In Lower Shabelle and Bay region, charcoal production and trade has resumed on a large scale. Local analysts claim that the charcoal trade only favours powerful business men and faction

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[114] Interview in Eldoret, Kenya, on 22 November 2002.
[115] Interview in Mogadishu on 17 December 2002.
[116] Marchal, Roland, *Lower Shabelle Region Study on Governance* (Nairobi: United Nations Development Office for Somalia, 1997), 43.
[117] Interview in Merka, southern Somalia, on 31 August 2002.

leaders without benefiting local communities. A conference report makes a similar assertion "that the beneficiaries in the charcoal economy are traders in Mogadishu and the United Arab Emirates. What trickles down to the society in terms of taxes and remuneration is almost negligible."[118]

This part explores issues of horizontal inequalities as a cause of conflict – or inequalities between groups. Bradbury stated that "the impressive generation of wealth by entrepreneurs in the transit trade, remittance companies or telecommunications, appears to mask a general decline in living conditions for the majority of households who are unable to participate in these parts of the economy".[119] Several informants mentioned that non-resident clans, mainly Hawiye, monopolise several of the business activities including transport, trade and fisheries. An informant from Lower Shabelle region who moved to Baidoa confirms this view: "We do not have the freedom of accessing the river. We do not have the freedom of using our own grazing areas. We cannot exercise free trade in our own traditional areas."[120] This holds true for Brawa, the most southern district of Lower Shabelle region, situated at the coast. Brawa is the district capital. Several interviewees claimed that in particular in the southern region of Somalia even fruit trees, such as mango, are cut down for the production of charcoal jeopardising the local population's livelihoods.[121]

Since there is continued demand from the Arabian Peninsula, and exports generate much needed foreign currency, it is unlikely that the charcoal trade will be restricted in future. The Transitional National Government has placed a ban on the export of charcoal but lacked power and/or the political will to enforce it. Trucks loaded with charcoal freely move through Mogadishu heading for the nearby beach ports on the coast of the Indian Ocean. A UN report published in 2001 suggests that total charcoal production including internal consumption and export stands at 112,000 tonnes per year and is expected to reach 150,000 tonnes over the next five years.[122] In 2003, El-Ma'an port north of Mogadishu and Kismayo port in the South were the major exit points for the trade in southern Somalia. These observations are supported by data gathered by a Somali local NGO (see table 1). El Ma'an port was used by the ICRC during the civil war to provide emergency food.[123] Charcoal production is not a new phenomenon, it dates back to the colonial era. What is new is the extent to which charcoal is produced for the export market.

The commodity chain analysis reveals that the charcoal trade promises large profits for wholesalers, retailers and exporters. Local producers gain little but suffer most from adverse environmental consequences, such as deforestation and encroachment of dunes.

Table 1: Charcoal exports from southern Somalia, September 1999-June 2000

Export port	Ships	Dhows	Sacks of charcoal

[118] Gurre, Ibrahim, "Deforestation and Charcoal Burning: Specific Case Studies from the Southern and Central Regions of Somalia," *Resource based conflict, proceedings of the fourth regional workshop* (Bannano boarding school, Dubat village, Gashamo district, Somali regional state, Ethiopia: 2003), 48.
[119] Feldman, Stacy and Brian Slattery, "Living Without a Government in Somalia: An Interview with Mark Bradbury," *Journal of International Affairs* 57.1 (2003): 213.
[120] Interview in Baidoa, southern Somalia, on 9 February 2002.
[121] Author's fieldwork in Lower Shabelle in 2002.
[122] Aden, A., *Mission Report on Environmental Assessment for Somalia* (Nairobi: United Nations Development Programme, Somalia, 2001).
[123] Marchal, *A Survey of Mogadishu's Economy*.

El Ma'an	9	14	1,706,000
Gesira	11	17	1,760,000
Merka	0	4	78,000
Brawa	0	2	38,000
Kismayo	17	23	3,157,000
Total	37	60	6,739,000

Source: SOCEP – Somali Centre for Environmental Protection. (2000). *Environmental Protection/Awareness Workshop on Somalia.* 8-9 September, 2000, UNESCO-PEER Conference Hall, Nairobi.

Charcoal production is considered by 68 per cent of Somali households as an environmental problem (see figure 3). Only the infestation of mosquitoes and flies is seen as more serious. In Brawa district in southern Somalia, I argue that local clans (Digil/Tunni) engage in violent conflict with newcomer clans (Hawiye/Haber Gedir) who gained control over the transport, wholesaling, retailing and export business of the charcoal trade. Local communities only marginally benefit from the profits.

Another potential source of grievance at the local level is the unplanned and unregulated exploitation and management of forest and woodands. There is no regulating authority who

Figure 3: Perception of environmental problems in Somalia 2002

Source: World Bank, and United Nations Development Programme. Socio-Economic Survey 2002 Somalia. Washington D.C., New York World Bank, UNDP, 2003.

could control the cutting of trees. Forest is cleared for firewood, crop and charcoal production. John Miskell, a CARE International team leader who has worked in Somalia for nearly three decades, highlights the high profit margins in the charcoal business, and predicts a ominous future for Somalia's forests: "They're making such an enormous profit. They're cutting acacias. They're taking everything."[124] He further blamed the never-ending demand of the Gulf States: "The Arabs turned their trees into charcoal a long time ago," he said. "Now they're working on Somalia's."[125] Somalia's Resource Management and Network reports that "for the local communities concerned with co-conservation, constant conflicts have erupted between the traders and their contracted labourers who apparently use force to bring down trees for charcoal burning".[126] The 2003 report mentions the death of two agricultural extensionists, one from Kunyo and one from Gerndeshen village in Lower Shabelle.[127] This incident occurred while the community was resisting the forceful felling of trees by charcoal traders. The report confirms another case in Lower Shabelle when an environmentalist was killed in a conflict between local

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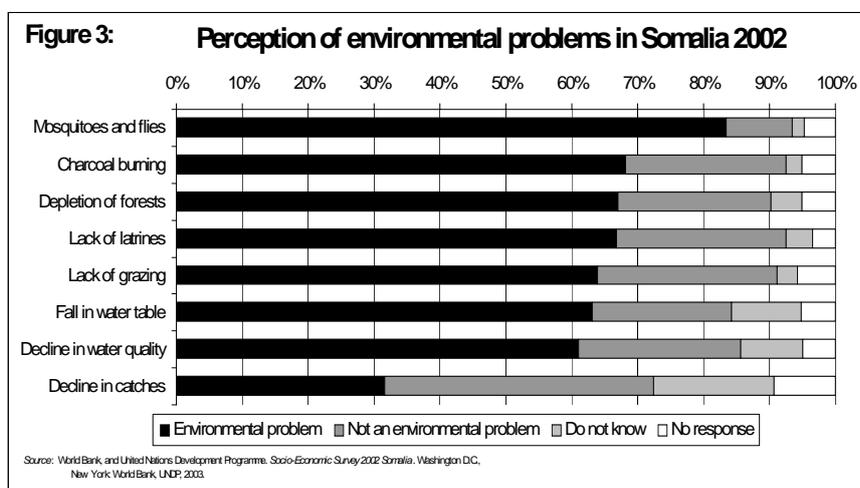
[124] Maykuth, "Somalia is Sacrificing its Trees for Profit".
[125] Maykuth, "Somalia is Sacrificing its Trees for Profit".
[126] Gurre, "Deforestation and Charcoal Burning: Specific Case Studies from the Southern and Central Regions of Somalia," 48.
[127] Gurre, "Deforestation and Charcoal Burning: Specific Case Studies from the Southern and Central Regions of Somalia," 49.

people trying to protect their forest and armed charcoal traders.[128] Further circumstances remained unknown.

Further, the decrease of forest cover leads to dune encroachment and loss of grazing area for livestock that feeds on acacia trees. The loss of rangeland for pastoralists can in turn intensify conflicts with farming communities whose capacity for transhumant livestock is limited. Above all, river banks, which were protected by the former government, are progressively cleared for agricultural land and charcoal production.[129] This leads to the erosion of nutrient-rich soil changing the course of rivers. Insufficient fodder, consequent soil erosion and soil fertility decline can lead to low production of milk and meat, shortage of woodfuels, loss of biodiversity and decline of wildlife habitat. The loss of wildlife habitat has increased competition of wildlife with domestic animals for the search of food leading to poaching of wild animals, such as the dik dik.[130] Pre-war figures estimated 14 per cent of Somalia's land as forest and woodland.[131] Since the annual deforestation rate is estimated at 0.1 per cent this small percentage declines as the charcoal production grows.[132]

Conversely, some argue that environmental change in southern Somalia cannot be explained by charcoal production alone. For example, invading species, which were imported to stabilise sand dunes were left unchecked, and are now used for charcoal production though they are difficult to harvest and of lower quality. In other areas of Lower Shabelle, a tree species introduced by the Japan Volunteer Commission in the late 1970s, which became known as *cali garoob* was of little use including charcoal production and has spread at a high rate at the expense of indigenous species causing environmental degradation.[133]

Ahmed Mohamed Ibrahim from CRD suggests that grievances of the local communities resulted into conflict: "Local communities are resisting the practices of the charcoal export. In Brawa, there was conflict between the Tunni and the Haber Gedir because of the charcoal trade. There is even evidence that mango trees are being cut down for charcoal production."[134] The assertions need some qualification as to whether exclusion from a lucrative business and the cutting of trees for charcoal production is a necessary or sufficient factor to trigger clashes between the local Tunni clan and non-residents of the Haber Gedir clan in Brawa district. It is difficult to assess the dimensions of the clashes in 2001/2002 that left several people dead.

Tensions between the Hawiye and the local clans in Brawa district date back to the 1970s. Then, still under the leadership of Siyad Barre, several thousands of nomadic people from the central regions (largely from the Abgal and Haber Gedir clan families) and the Ogaden were resettled in

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[128] Gurre, "Deforestation and Charcoal Burning: Specific Case Studies from the Southern and Central Regions of Somalia," 49.

[129] The former government made it illegal to clear land within hundred metres of the river. IRIN, "Without Controls, Desertification Increases," *United Nations Integrated Regional Information Network* 18 June 2001.

[130] Wildlife, such as gazelles, lions, leopards, gitas, elephants and giraffes were common in southern Somalia in the nineteen century. However, sport hunting became popular in northern Somalia at the end of the nineteenth century. Also, the spread of automatic weapons contributed to a decrease of wild life. Somalis always considered wild animals as a threat to their livestock and hence, killed wild life in order to increase domestic stock. Today, wild animals are shot even if they do not pose a direct threat to livestock. In a war-torn society like Somalia, wildlife would be hardly considered as an asset to attract tourism. For example, when we sighted a hyena during a visit to Qorioley village, the guards securing the vehicle attempted shooting it but apparently missed the animal.

[131] United Nations Development Programme, *Human Development Report, Somalia 1998*, 206.

[132] United Nations Development Programme, *Human Development Report*, 189.

[133] IGAD, *Somalia National Reconciliation Conference, Eldoret, Kenya: Committee III: Land and Property Rights. Draft Report*.

[134] Interview in Mogadishu on 18 December 2002.

the Brawa region when a severe drought – still remembered as *daba dheer* or the 'long tailed' among Somalis – hit the country in 1973-74. In 1975 and with the help of the foreign assistance, some 90,000 nomads were brought to the agricultural and fishing cooperatives in the South.[135] The Soviet Union provided modern fishing vessels. Some 300,000 displaced nomadic people found a temporary home in the southern regions. The state appropriated land from the local sedentary population thereby triggering resource competition – although half of the displaced persons returned to their homelands or abroad after several years.[136] However, the land remained in the hands of Barre's government. This resettlement scheme was only one action that reinforced already existing cultural cleavages to the disadvantage of the indigenous coastal and riverine population.[137] When clans from the central and northeastern regions overthrew the former regime, they then instrumentally used clan lineage solidarity to gain control of the trade, agricultural production and the fishing industry. A person from Brawa claimed that "the resettlement programme by Barre in Brawa was politically motivated".[138] Barre adopted a divide and rule strategy by trying to create tensions between clans, in Brawa between the Hawiye and Digil clans, who were marginalised in his government.

Trade in charcoal has gained importance during the past ten years. Local communities who belong to militarily weaker clans, such as the Tunni or the *Jareer* have been trying to build up their resistance to the Haber Gedir strongmen in the southern regions. It is likely that they received material and logistical military support including land-mines from the Somali Reconciliation and Restoration Council who in turn received support from the Ethiopian government. These strategic interlinkages are important in assessing links between resources (i.e. charcoal) and conflict in Somalia.

With reference to the above mentioned strategic interests, it may be inaccurate to see the environmental factors, such as deforestation and soil erosion as a sufficient factor to trigger armed conflict. However, in combination with strategic and economic interests of local communities, the charcoal trade serves as a necessary factor for triggering violent conflict in the region. The main accentuating force behind the localised conflict is economic exclusion. Accordingly, local communities in the rural areas of Brawa and elsewhere hardly benefit from the trade since the highest margins are at the wholesale and export level. But they are mainly affected by the adverse environmental affects, such as sand dune encroachment, loss of grazing areas and environmental degradation. In particular the export to the Gulf States is lucrative, as the production of charcoal is relatively cheap. Retailers and traders do not have to calculate the cost of raw material. Wood is considered a free good in many parts of Somalia, and communal land rights and land-use practices are undermined by the rule of force.
In order to overcome economic exclusion and this applies also to other sectors of the economy, affiliation with armed clans gained importance. This led to horizontal inequalities in the Brawa corridor. Although charcoal bans have been placed in several parts of the country, authorities lack the power and sometimes the political will to enforce them. Regarding domestic consumption, alternatives are not economically feasible. Ultimately, the banning of charcoal export would need the cooperation of Arab countries and Somali businesses.

Reacting to statelessness in Somalia

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[135] Laitin and Samatar, "Somalia and the World Economy": 64.
[136] Downs, R. E. and S. P. Reyna, eds., *Land and Society in Contemporary Africa* (Hanover; London: University Press of New England, 1988).
[137] Cassanelli, "Explaining the Somali Crisis".
[138] Interview in Eldoret, Kenya, on 3 December 2002.

In the course of the past twelve years, physical force became a means to participate in business activities. Yet, high profit margins have to be balanced with security costs and other externalities. Since 'warlords' or more legitimate administrations, such as the TNG, proved to have failed in the provision of public goods, especially security, businessmen started building up their own security forces. Every influential business person required his own militia to guard his goods and premises. Deilaf, one of the most influential business men in Mogadishu, employs guards armed with machine guns and automatic weapons to protect his premises at Bakara market. Several business men in Mogadishu were willing to pay taxes provided an effective government is established which could provide security.

In order to improve security in the region, Deilaf and other influential business men initiated the establishment of *shari'a* courts in South Mogadishu and Lower Shabelle region in the 1990s.[139] The first *shari'a* court in South Mogadishu, Medina Islamic Court, was established in early 1993.[140] Important Hawiye traders and hotel owners felt relieved about this initiative since Mogadishu's warlords and faction leaders failed to provide a secure environment for trading and investment. Besides, militarily weaker clans, such as the Banadiri or the *Gibil ad* who were primary victims of the civil war, supported the establishment of the Islamic courts.[141] However, while there is no state authority, negative externalities, such as unemployment or environmental degradation and pollution, are hardly mitigated. There have been several reports of toxic waste dumping off the coast of Somalia though supporting evidence has not yet been produced. Fishermen repeatedly accused foreign vessels of exploitative fishing practices off the Somali coast or discarding oil and other waste into the coastal waters with the help of Somali faction leaders.[142]

When the business community supported the TNG in the first years of its existence, several business men benefited from the new government. Some business people provided transport and housing to members of the TNA.[143] In turn, they received returns in form of international aid from Libya and Saudi Arabia. Le Sage argues that "even if the Saudi and Libyan donations are only one-off gestures of support that is more money than businessmen ever received from the likes of Hussein Aideed or Osman Atto".[144] In fact, the TNG received US$ 15 million from Saudi Arabia and US$ 3 million from Qatar, which was used to pay businessmen and salaries of government officials.[145] These figures were confirmed by a senior TNG official who I met in Merka.[146] In this respect, the Saudi money provided a new source of revenue for those who invested into the emerging administration. Le Sage adds that amounts charged for individual services provided were much higher than the real cost incurred.[147] This meant high net profits for those who initially provided services to Members of Parliament although there was no security that investments would be amortizable. Possible future payments to a new government raise the

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[139] Le Sage, Andre, "Somalia: Sovereign Disguise for a Mogadishu Mafia," *Review of African Political Economy* 29.91 (2002): 136.
[140] United Nations Development Office for Somalia, *Regional Profile of Mogadishu - Benadir*, 40.
[141] United Nations Development Office for Somalia, *Regional Profile of Mogadishu - Benadir*, 41.
[142] Salih, Mohamed M. A. and Lennart Wohlgemuth, "Somalia: State and Society in Turmoil," *Review of African Political Economy* 21.59 (1994): 81.
[143] Le Sage, "Somalia: Sovereign Disguise for a Mogadishu Mafia".
[144] Le Sage, "Somalia: Sovereign Disguise for a Mogadishu Mafia", 137.
[145] Interview in Mogadishu on 15 December 2002.
[146] Interview in Merka, southern Somalia, on 31 August 2002.
[147] Le Sage, "Somalia: Sovereign Disguise for a Mogadishu Mafia", 137.

notion of co-optation of the likes of Aideed or Atto. If they are excluded from the benefits of these payments they might opt for the continuation of violence.

A second example for this symbiotic relationship between the TNG and a group of business men was an auction that was held by the TNG to buy newly printed bank notes.[148] Over the last decade and in absence of a central bank, Mogadishu based business men (including Deilaf) and faction leaders printed new notes in Canada and Malaysia for the Somali market.[149] This led to hyperinflation and the public outcry to stop the drastic devaluation of the Somali shilling in the year 2001 (see figure 1).[150] Part of the Saudi money was then used to buy these notes from those business men who had close ties with the new government at an extremely favourable rate. This symbiotic relationship will make it difficult to intervene in business activities in order to raise public revenue. For example, one government official told me that he would like to see the remittance banking systems formalised in order to be able to demand taxes.[151] However, it is questionable that the business community will agree to interventions that would minimise profit margins.

'Taxes' and 'fees' charged by faction leaders and business people alike at airstrips do not relate in a realistic way to services or maintenance expenses, which in large are not provided at all. Esaley airstrip controlled by Bashir Rage (Hawiye/Abgal) is a good example for arbitrary taxation. The 2,300 metres-long airstrip in North Mogadishu has no lighting installations, no fuelling facilities, no air-traffic control, no cargo facilities and only a small airport building with a few rooms. Although airport facilities are non-existent, 'fees' for the use of the airport resemble those of a professional one. According to latest figures, one Somali air carrier pays US$ 300 for a landing fee, US$ 200 per flight for a security fee, a passenger tax of US$ 20 and US$ 0.15 tax per kilogram cargo.[152] The same reports estimates that "for an air carrier providing twice-weekly service to Mogadishu North, these payments amount to yearly expenses in landing and security fees of $52,000 (based on an average passenger load per flight of 90 people), passenger fees of $187,000, and cargo fees of $156,000 (based on average cargo of 10 tons per flight). The total yearly cost to the flight operator amounts to some $395,000 just for one flight service."[153] Bashir Rage's airport operations generate revenues of an estimated US$ 1.2 million.[154] Esaley airstrip is also used by humanitarian flights of the EU on a regular basis. To the best of my knowledge, at least the passenger fee of US$ 20 was paid to Bashir Rage's airport manager. Similar 'fees' have to be paid at the other small airports. I was charged US$ 25 passenger fee for entry and US$ 20 for exit at K-50 airstrip, also frequented by humanitarian flights of the EU. The case of Esaley airport demonstrates how profitable it is to monopolise these important exit and entry points. Here, the border between criminal activities and business becomes blurred. What is more, international aid agencies continue financing Somali strongmen often without critical examination.

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[148] Le Sage, "Somalia: Sovereign Disguise for a Mogadishu Mafia".

[149] Hogendoorn, M'Backe and Mugaas, *Report of the Panel of Experts on Somalia pursuant to Security Council Resolution 1425 (2002)*.

[150] Le Sage, "Somalia: Sovereign Disguise for a Mogadishu Mafia".

[151] Interview in Mogadishu on 15 December 2002.

[152] Hogendoorn, M'Backe and Mugaas, *Report of the Panel of Experts on Somalia pursuant to Security Council Resolution 1425 (2002)*, 43.

[153] Hogendoorn, M'Backe and Mugaas, *Report of the Panel of Experts on Somalia pursuant to Security Council Resolution 1425 (2002)*, 43.

[154] Hogendoorn, M'Backe and Mugaas, *Report of the Panel of Experts on Somalia pursuant to Security Council Resolution 1425 (2002)*, 43.

The evidence seems compelling that some key individuals gain from the continuous conflict whereas the majority of Somalis suffer from continued insecurity, poor health and educational standards and exclusion from job opportunities. The absence of secondary education and universities makes it particularly easy for the militia to recruit amongst the younger male generation. The notion of an emergence of an alternative or parallel economy is a key concept in understanding the growth of the private sector sustained at very high social costs. The problem of access should be discussed, too. In addition, long-term investment in for example, the manufacturing industry, is unlikely to occur in the near future. Hardly any business person would like to invest in such an insecure environment. Accordingly, investments hardly exceed a few thousand US dollars.[155] However, there are some small-scale factories in Mogadishu producing pasta, sweets, mineral water, hides, skins, foam, soap, detergent, aluminium products, packaging material and fishing boats.[156] Security would be needed for a desirable diversification of the economy in order to reduce economic vulnerability. Mainly telecommunications, intra- and inter-state trade, utilities, construction and the provision of security constitute the main sources of income of the powerful business elite.

A good example for this development is Mohamed Deilaf. As a protégé of the Djibouti business man Abdurahman Boreh, he accumulated wealth in the sugar and cigarette import business.[157] He imported Brazilian sugar to Somalia, and then exporting it further to East African countries without paying duty. Deilaf (Hawiye/Haber Gedir/Ayr) became one of the most influential business men when he started to provide storage facilities for international aid agencies, such as the World Food Programme and CARE, in Mogadishu and Merka. In addition, he is engaged in the transport industry providing trucks for international aid agencies for the delivery of emergency aid. His wealth enabled him to employ his own small standing army, it is estimated that he commands 20 'technicals' and 400 militia men.[158] This allows him to operate independently from any faction leader in Mogadishu. But not all his business activities are seen as legitimate. According to a UN report, he financially supported the take-over of Hussein Aideed's banknote production in Canada.[159] By accessing these funds he strengthened not only his own position but also contributed to the hegemony of his sub-clan within the Mogadishu business community. Consequently, Hussein Aideed's sub-clan, the Hawiye/Haber Gedir/Saad, lost influence in the business community. His kin (Hawiye/Haber Gedir/Ayr), being from the same sub-clan as the TNG President Abdiqasim Salad Hassan, provides him the necessary security network and business connections. In an interview he rejected this assertion: "To do business depends on honesty and reputation, clan is not important."[160] He stressed that he does not maintain links with the faction leaders of Mogadishu, relying on his personal business connections and trust. He added: "Trust within the business community is based on personal relationships."[161] Being asked if the business community is concerned with the delivery of public goods, he claimed that his business supports two hospitals in the city and the educational sector. Deilaf's movements are not restricted; he maintains business connections with the commercial centres in Europe and Dubai.

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[155] Marchal, *A Survey of Mogadishu's Economy*.

[156] Marchal, *A Survey of Mogadishu's Economy*.

[157] Hogendoorn, M'Backe and Mugaas, *Report of the Panel of Experts on Somalia pursuant to Security Council Resolution 1425 (2002)*, 35.

[158] Author's fieldwork in Mogadishu in December 2002.

[159] Hogendoorn, M'Backe and Mugaas, *Report of the Panel of Experts on Somalia pursuant to Security Council Resolution 1425 (2002)*, 35.

[160] Interview in Mogadishu on 16 December 2002.

[161] Interview in Mogadishu on 16 December 2002.

Although he expressed his interest in peace, Deilaf must be considered as a prime facilitator and beneficiary of the current political situation in southern Somalia. With a regulating authority and without lucrative contracts with international aid agencies, Deilaf's capacity to maintain his present business interests would quickly melt in an era of peace and stability. A prominent Bimal clan member argued along these lines:

Mr Deilaf is a sub-contractor of a number of NGOs as well as the ICRC and the WFP. And the major international donor agency in Somalia is WFP. So whoever gets the contracts of the WFP can be the richest person in Somalia and can be the first warlords of all warlords. How can we therefore disassociate the international agencies from what is happening in Somalia. Or we can keep them far from our own brides? Are they innocent? No.[162]

Conclusion

To ascribe conflict to environmental factors, such as deforestation and land degradation would be too simplistic. Further, incorporating environmental factors in models, as found in the environmental security literature, to explain conflict can lead to the deterministic view that conflict is inevitable and beyond human control. In fact, natural disasters, such as the 1990-91 drought in southern Somalia did not play an important role in causing the severe famine in Bay and Lower Shabelle region. Rather, the devastation inflicted upon the inter-riverine population was rooted in their inability to defend themselves based on historical power-relations. The charcoal trade in southern Somalia suggests that local communities react in a violent way to economic exclusion rather to protect their environment. However, it is worth noting that the adverse environmental consequences of the trade serve as a necessary factor to trigger conflict.

The call for more political stability by the new business class in Mogadishu can be explained by its encompassing interest in a prospering society. Petty traders and craftsmen, even larger companies suffer from insecurity and conflict. They must pay large amounts for security and sometimes with their lives for doing business in Mogadishu. The exchange of gunfire at road blocks is common; trucks loaded with precious goods are manned with armed militia.
My research suggests that the business class has a stake in a stable society that offers skilled labour, law and order, credit schemes and low transaction costs. Providing public goods can result into an increase in social cooperation and production, and in turn can lead to more wealth within the business realm of influence. It has been argued that there are powerful economic incentives for cooperation.[163] Accordingly, the Chairman of the Somali Business Council, Sharif Ahmad Shino, supports the establishment of a politically stable government for economic reasons: "It would be good for business. Now, we pay for our security, electricity, water. This means a lot of overhead costs for businesses, which cut into our profit margins. We would rather pay taxes and leave all that to the government."[164] A manager of a prominent radio and TV station in Mogadishu explains that decentralised, merit based businesses are more successful: "The new businesses are co-operatives with sub-offices everywhere. They are more successful because they cut across clan lines, religious and political lines."[165]

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[162] Interview in Baidoa, southern Somalia, on 9 February 2002.

[163] Olson, Mancur, *Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships* (New York: Basic Books, 2000).

[164] IRIN, "Business Community demands Role in Peace Process," *United Nations Integrated Regional Information Network* 23 April 2003.

[165] Interview in Mogadishu on 17 December 2002.

In the absence of government regulation it is paramount that the business class provides public goods, as income or business taxes are hardly paid. Providing public goods, means an increase in social cooperation and production, and can lead to more wealth within the business realm of influence. Olson argues that economic incentives can foster production, and that business people can benefit from the gains of social cooperation through trade and specialisation.[166]

On the contrary, when a society is close to a Hobbesian anarchy, everyone tries to become an autocrat in the absence of a social contract and there is a general economic loss. At a certain level this may be stating the obvious that peacetime economies tend to be more productive than those in periods of conflict. But in a territory with a weak state and without effective institutions, such as Somalia, there clearly exist economic incentives to maintain conflict by diminishing prospects of peace. In weak states, income inequality can lead to the privatisation of violence, undermining shared interests in business cartels rooted in the monopoly of coercion and authority. Although the emerging new business class throughout Somalia might now be seeing themselves as having a more encompassing interest in stability, and in enhancing the economy as a whole this is not yet decisively the case.

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[166] Olson, *Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships*.

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